

Policy on Corporate Social Responsibility
(Version 1.1)

OF

JANA URBAN FOUNDATION

Amendments history: -

<u>Sl no.</u>	<u>Version</u>	<u>Change description</u>	<u>Section Heading</u>	<u>Date of approval</u>	<u>Effective Date</u>
1	1.0	New Document	--	03/11/2021	01/04/2021
2	1.1	Insertion of new focus area – Art and culture	CSR Projects, programs or activities	08/08/2022	08/08/2022

Introduction: -

Jana Urban Foundation (JUF) is a Section 8 not for Profit Company incorporated under the Companies Act, 1956 in June 2006. JUF is an urban inclusion think tank based in Bangalore with a vision to transform urban India where financial inclusion and enhanced quality of life are assured to all those who aspire to help themselves. JUF constantly strives to understand the world of urban excluded household and incubates viable and scalable social business models that are central to inclusion.

Although Corporate Social Responsibility (“CSR”) has gained significance in the present times it has always been one of JUF’s core values. We strive to apply an exceptional approach towards eliminating the problems that inflict our society and environment where we live and work.

Our Vision: -

Our CSR vision is to contribute towards social and economic betterment of urban poor. We focus towards bettering the lives of our surrounding communities by broadly addressing the focus areas of Education, Healthcare and empowerment of women.

Mission of CSR Policy: -

The primary mission of our policy is to inspire the next generation to do great things by becoming civil citizens and stewards of humanity.

Definitions: -

- a) Act" means the Companies Act, 2013 (18 of 2013) and its subsequent amendments such as Companies (amendment) Act 2020;
- b) “Administrative overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the

company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;

- c) "Corporate Social Responsibility (CSR)" means the activities undertaken by JUF in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the rules, but shall not include the following, namely:-
- i) activities undertaken in pursuance of normal course of business of the JUF;
 - ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any state or union territory at national level or India at international level;
 - iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- d) "CSR Policy" means a statement containing the approach and directions given by the board of a company and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- e) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -
- i) any profit arising from any overseas branch or branches of company, if any, whether operated as a separate company or otherwise; and
 - ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:
- f) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board

based on reasonable justification.

CSR Committee: -

Currently there is no requirement to constitute Corporate Social Responsibility Committee (the “CSR Committee”) for the Financial year 2021-2022 as the amount to be spent towards CSR for said financial year is less than Rs. 50 Lakhs. Accordingly, all the functions related to CSR shall be discharged by the Board of directors of the Company.

Scope of CSR Policy: -

This CSR Policy is developed in consonance with the CSR Policy framework enshrined in section 135 of the Companies Act, 2013 (Act) and in accordance with the Companies (CSR Policy) Rules, 2014 (Rules) notified by Ministry of Corporate Affairs, Government of India and subsequent amendments in the Rules and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by the Ministry of Corporate Affairs, Government of India in January 2021.

It shall apply to all CSR Projects / Programs undertaken by JUF as listed in the CSR policy of JUF and approved by Board of JUF within the geographical limits of India alone, except for training of Indian sports personnel representing any State or Union territory at national level or India at international level and preferably towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment and achievement of Sustainable Development Goals.

Any point not covered by this Policy would be interpreted in accordance with the existing Companies (CSR Policy) Amendment Rules of 2021.

Execution of CSR Policy: -

The activities undertaken by the Company as part of its CSR Policy shall be approved by the Board. We will choose to make the contribution by ourselves and not through any other implementing agencies. The Board will monitor the projects or programs or activities undertaken and the funds utilized towards the achievement of objectives and report in this regard will be annexed to Board's report.

All CSR activities will be in the form of projects / programs, which will, as far as possible, entail the following components:

- i) Need Based Assessment / Baseline survey / Study where considered necessary / feasible;
- ii) Identification of specific and measurable objectives / goals in identified sectors and geographies;
- iii) Formation of the project and preparation of Detailed Project Report (DPR);
- iv) Identification of time lines – clear specification of start date and end date;
- v) Specification of annual financial allocation;
- vi) Clear identification of beneficiaries (by name where possible);
- vii) Clear identification of milestones for the complete duration of the Project / programme;
- viii) Preparation and implementation of a comprehensive and concurrent documentation procedure;
- ix) Robust, periodic review & monitoring;
- x) Evaluation & Assessment, preferably both concurrent and final (wherever possible, by a competent third party);

CSR Planning: -

To assist in planning of the activities, the indicative budget allocation for broad sector of Activities will be delineated in the Annual Action Plan which shall be formulated by the Board and which shall include the following:

- a) list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b) manner of execution of such projects or programs as specified in sub-rule (1) of rule 4 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021;
- c) modalities of utilisation of funds and implementation schedules for the projects or programs;
- d) monitoring and reporting mechanism for the projects or programs; and
- e) details of need and impact assessment, if any, for the projects undertaken by the company:

JUF shall give preference to well defined Project operating principles during the planning stage for the identification and implementation of its CSR Projects / Programs in order to ensure optimal utilisation of the CSR budget.

JUF shall endeavor to understand the stakeholder expectations through a structured engagement process and communication strategy and shall leverage this understanding for betterment of all the stakeholders.

JUF will endeavor at all times to build and develop the skills of its CSR team and enhance level of CSR awareness within the organization.

CSR Implementation: -

CSR projects or programs will be implemented by JUF on its own and not through any other implementing agencies.

CSR Budget and Expenditure: -

The Board of JUF will ensure that in each Financial Year (FY), at least two percent of the average net profit (calculated as per Section 198 of the Companies Act 2013) accrued during the three immediately preceding Financial Years is spent on CSR activities / projects / programs.

The Board of JUF will satisfy itself that the funds disbursed have been utilised for the purposes and in the manner as approved by it and Head of finance shall certify to the effect.

In the event, that amount indicated in above is not spent in its entirety in that Financial Year, the reasons thereof will be outlined as per section 134 (3) (o) of the Act to be shared with all the stakeholders through the Annual Report and the unspent amount shall be transferred to any fund included Schedule VII of the Act.

In an event where JUF makes any surplus or profit from pursuing the CSR projects / programs, these will not form part of the business profit but will, instead be ploughed back into the same project or shall be transferred to the unspent CSR Account to be spent in pursuance of CSR Policy / Annual Action Plan of the Company or transferred to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

CSR Projects, programs or activities: -

The CSR projects, programs or activities to be undertaken by the Company are in line with Section 135 and Schedule VII of the Companies Act, 2013 and CSR Rules. The Company will give the preference to the local area and areas around where it operates, for spending the amount earmarked for CSR activities.

Focus areas:

A. Improvement of health:

The Board identifies the projects/programs/activities to be undertaken in order to improve the health of children in our neighboring communities with an emphasis on nutrition and physical activity. This will include making nutritious food more accessible and adopting a multi-disciplinary approach towards improving the overall health lifestyle of children who need it most in their formative years.

Health improvement of youth and children is one of our foremost objectives under basic human needs because we believe that healthy communities play an important role in the growth of economy. Some of our goals are mentioned below:-

1. JUF will collaborate with organizations supporting causes for health and nutrition for underprivileged youth and children living in orphanages.
2. Undertake school health programme for schools in Bangalore to carry out health services in association with health care agencies and impart basic hygiene and health education.
3. Sensitization programs for youth focusing on raising awareness on drug abuse and long term gains of healthy lifestyle.
4. eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

B. Provision of Education:

Our goals are: -

1. Expanding educational opportunities for specific low income students by sponsoring higher secondary school fees, provision of free text books and rewarding merit scholarships.

2. Undertake improvement of basic infrastructure of schools, direct and indirect funding for providing the education.
3. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.

C. Women Empowerment:

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;

D. Promotion of art and culture:

To work towards preserving the arts and culture of India for its future generation and make conscious efforts to ensure its continuity and enhance avenues for livelihoods of artists, including writers, poets, painters, musicians and dancers through contribution towards operational needs, performance activities, livelihoods and other opportunities to encourage preservation of cultural and traditional Indian art forms.

Monitoring of CSR activities: -

An internal working and monitoring team will be set up to ensure effective implementation and monitoring of the CSR activities. The team will consist of:

- Ms. Girija N, Company Secretary;
- Mr. Kishora M, Manager – Accounts.

The team will also obtain feedback from various beneficiaries of CSR Projects /Activities / Programs undertaken by the Company to measure their benefits.

The funds to be disbursed shall be utilized for the purposes and in the manner as approved by the Board. Head of Finance or the person responsible for financial management shall issue a certificate to the Board every year certifying that the funds disbursed are utilized for the purpose and in the manner as approved by the Board.

Amendments to CSR Policy: -

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

Reporting and Disclosure of CSR Policy: -

The CSR Policy on being approved by the Board will be placed on the official website of JUF, if any.

The Company will disclose the CSR projects/ programs/ activities undertaken along with the funds utilized in the Report of Board of Directors at the end of every financial year.