



CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

IMAGINE MARKETING LIMITED



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1. Preamble

Imagine Marketing Limited (the “**Company**”) which owns the lifestyle electronic brand “boAt”, was started in 2014. The Company’s focus is to become a house of lifestyle products and cater to each and every lifestyle need of its target customers.

The Company believes in pursuing wider socio-economic and cultural objectives and have always endeavoured to not just live up to it, but to try and exceed the expectations of the communities in which we operate.

2. Objectives

The corporate social responsibility policy (“**CSR Policy**”) of the Company intends to:

- a) Strive for economic development that positively impacts the society at large with minimal resource footprint.
- b) Embrace responsibility for the Company’s actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, education, environment, communities, stakeholders and the society.

The objective of this policy is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the Company relating to Corporate Social Responsibility (“**CSR**”) within the meaning of Section 135 read with Schedule VII of the Companies Act, 2013 (“**Companies Act**”) and the rules framed thereunder. It shall apply to all CSR projects/ programs undertaken by the Company as per liberal interpretation of activities listed in Schedule VII of the Companies Act, within the geographical limits of India, preferably towards the benefits of marginalised, disadvantaged, poor and deprived sections of the community and the sustainable environment.

3. Focus Areas

The Company seeks to continue its contribution to the society through its distinct value proposition that meets the needs of millions of people, enhancing their lives through healthcare, improving quality of living by providing education and enabling livelihoods by creating employment opportunities- through the following:

- a) For the Business- value created for the society through business (including employment generation, market growth, creating opportunities etc.)
- b) By the Business- value created through CSR initiatives across different operating facilities with appropriate linkages to local communities in which they operate.
- c) Beyond Business- value created through interventions for the communities in diverse geographies across India.

In accordance with the requirements under Section 135 of the Companies Act along with Schedule VII of the Companies Act and with the rules made thereunder, the Company’s CSR activities, amongst others, will focus on:

- **Hunger, Poverty, Malnutrition and Health:** Eradicating extreme hunger, poverty and
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malnutrition, promoting health care including preventive healthcare and sanitation and making available safe drinking water.

- **Education:** Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.
- **Rural Development Projects:** Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.
- **Gender Equality and Empowerment of Women:** Promoting gender equality and empowering women; setting up homes, hostels and day care centres for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **Environmental Sustainability:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.
- **National Heritage, Art and Culture:** Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.

However, the Company may, subject to the approval of the corporate social responsibility committee (“**CSR Committee**”), undertake any CSR project specified in Schedule VII of the Companies Act from time to time.

4. **Undertaking CSR Activities**

The Company will undertake its CSR activities, approved by the CSR Committee, through any foundation or such other entity/organization as approved by the CSR Committee.

5. **CSR Committee & its Responsibilities**

The Board of Directors (the “**Board**”) of the Company shall constitute / re-constitute the CSR Committee from time to time in compliance with statutory requirements. The CSR Committee shall comprise of a minimum of three directors or as many directors required under Companies Act, out of which at least one director shall be an independent director. The composition of the CSR Committee shall be disclosed in the Board’s report under Section 134(3) of the Companies Act. The responsibilities of the CSR Committee will be as follows:

- a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company in the areas or subject as specified in Schedule VII of the Companies Act. The activities should be within the list of permitted activities specified in Companies Act.
- b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company.



- c) To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company.
- d) To monitor the CSR policy of the Company from time to time.
- e) To issue necessary directions as required for proper implementation and timely completion of CSR programmes.
- f) To explain to the Board of the Company, if the Company fails to spend the prescribed amount required to be spent as per the Companies Act, within the financial year.
- g) To perform such other duties, functions and matters as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time to undertake to promote the CSR activities of the Company.

The Board shall:

- a) taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company and disclose contents of the CSR Policy in its report and also display it on the Company's website.
- b) ensure that the activities as are included in the CSR Policy of the Company are undertaken by the Company.

6. Selection and Implementation of CSR Activities and Projects

For achieving its CSR Initiatives and activities through implementation of meaningful and sustainable CSR programs, the Company needs to allocate, in every financial year, at least 2% (two per cent) of the average net profit made by the Company during the three immediately preceding financial years. The CSR Committee shall consider CSR proposals from the Company or any other eligible entity/ foundation. In order to be considered by the CSR Committee, such proposals must, *inter-alia*, contain details of projects / programs to be undertaken, proposed amount, timelines and a confirmation that such projects/ programs are eligible under the Companies Act, 2013 and rules made thereunder.

The CSR Committee will evaluate the projects / programs and may, at its sole discretion, approve certain projects / programs for implementation. While approving projects / programs, the Committee shall ensure that those are covered under the ambit of activities listed in Clause 3 above.

7. Surplus

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

8. CSR Budget

The Board shall approve overall limits for CSR Activities to be undertaken by the Company. Within the overall limits approved by the Board, the CSR Committee shall approve individual projects / programs.

9. Location of CSR efforts



All CSR projects / programs under this policy shall be undertaken in India. The CSR Committee shall decide on locations for implementation of the CSR projects / programs. The CSR Committee shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

10. Monitoring

The CSR Committee shall endeavor to devise a robust monitoring mechanism to ensure that the CSR projects / programs are undertaken effectively in accordance with the approval granted and are fully in compliance with applicable laws, rules, and regulations. Monitoring of CSR activities could be done through:

- a) Periodic third-party assessment of key projects
- b) Impact assessment with key indicators in our areas of operations
- c) Regular review by CSR committee

11. Disclosure

The Company shall comply with Sections 135 (2), 135(4)(a) and 134 (3)(o) of Companies the Act thereby ensuring that it makes a full disclosure of this Policy, strategy, projects/ programs, activities, monitoring mechanism, implementing agencies, expenditure details as well as the composition of the CSR Committee of the Board, as required under the Companies Act.

12. Validity of CSR Policy

The Board may amend this policy as required from time to time. All provisions of the CSR Policy would be subject to revision/amendment in accordance with law.

13. Contact

For any clarification / query related to CSR policy of the company, please contact:

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