



CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

INTRODUCTION AND BACKGROUND:

The Corporate Social Responsibility (“CSR”) Policy is formulated in compliance with the applicable provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibilities) Rules, 2014, as amended from time to time. The constitution of the CSR Committee is in line with the requirement of the Companies Act and the implementation of the CSR policy is also in line with the statutory requirements.

OBJECTIVES:

1. To achieve twin goals of “shareholder value enhancement” and “societal value creation”.
2. To be a committed corporate citizen with a social responsibility to make a positive difference on the society and its people.

Provided that board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect;

- recommend to the board the amount of expenditure to be incurred on the CSR activities;
- monitor the CSR policy of the Company from time to time; and
- Any other activity that the provisions of the Companies Act or any other applicable law may recommend.

CONDUCTING OF CSR ACTIVITIES DIRECTLY OR INDIRECTLY:

The Company may conduct its CSR activities directly or through “an Implementing Agency” which may be an association of person or a registered trust, as included under Schedule VII of the Companies Act, 2013. The CSR activities shall be undertaken in locations within India and preferably within (but not limited to) the local areas around which the Company operates.

COMPOSITION OF CSR COMMITTEE:

The CSR Committee shall comprise of such number of directors, as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”)

RESPONSIBILITY OF CSR COMMITTEE:

The CSR Committee would be responsible:

- 1) To formulate and recommend to the board, a CSR policy, annual action plan which shall indicate



- the activities/projects to be undertaken by the Company;
- 2) To recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
 - 3) To monitor the CSR policy and annual action plan of the Company from time to time.
 - 4) To ensure filing of statutory documents with the authorities, if applicable.
 - 5) Any other matter as the CSR Committee may deem appropriate.

ACTIVITIES ENUMERATED UNDER SCHEDULE VII OF COMPANIES ACT 2013 AND RULES MADE THERE UNDER, IN REFERENCE TO SECTION 135 OF COMPANIES ACT 2013:

As defined in Schedule VII of Companies Act, 2013; the Company may invest its CSR fund in the following activities:

- a) 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) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
 - c) 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;
 - d) 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 set-up by the Central Government for rejuvenation of river Ganga;
 - e) 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;
 - f) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
 - g) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
 - h) contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;
 - i) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
 - j) contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies,
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namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

k) rural development projects;

l) slum area development;

Explanation — For the purposes of this item, the term ‘slum area’ shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force;

m) disaster management, including relief, rehabilitation and reconstruction activities.

AMOUNT OF EXPENDITURE:

The Board of the Company shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its CSR Policy.

TREATMENT OF UNSPENT/EXCESS AMOUNTS IN RESPECT OF CSR ACTIVITIES AND SURPLUS ARISING OUT OF CSR ACTIVITIES:

Any unspent CSR amount at the end of a financial year shall be reported by the CSR Committee to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Report for that particular financial year and shall deal with the unspent amount in the following manner:

Nature of unspent amount	Action required	Timelines
Unspent amount pertains to ‘Ongoing projects’	Transfer such unspent amount to a separate bank account of the company to be called as ‘Unspent Corporate Social Responsibility Account’.	Within 30 days from the end of the financial year.
Unspent amount pertains to ‘other than ongoing projects’	Transfer unspent amount to any fund included in Schedule VII of the Act.	Within 6 months from the end of the financial year.

REPORTING & DISCLOSURE:

The company shall prepare an “Annual Action Plan” which shall be reviewed by Chief Financial Officer, recommended by the CSR Committee and approved by the Board, which shall disclose the proposed CSR expenditure to be done during the Financial Year which shall be compared on a periodic basis. The outcome and the necessary steps undertaken shall be duly disclosed in the Board by the Chairperson of CSR Committee.

Also, CSR initiatives of the Company will be reported in the Annual Report & the Board’s Report in compliance with Section 135 of the Act and rules made thereunder. Further, mandatory filing of Form



CSR-2 on MCA portal within the prescribed due date will be made.

MONITORING PROCESS OF THE ACTIVITIES UNDERTAKEN:

The Board of a company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer in the Annual Action Plan corresponding to that Financial Year.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project.

ONGOING PROJECT:

Ongoing project has been defined as:

- (i) a multi-year project, stretching over more than one financial year;
- (ii) having a timeline not exceeding three years excluding the year of commencement;
- (iii) includes 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.

A comprehensive monitoring mechanism will be devised by the Company to ensure that the CSR process functions as mandated by the Act and the Rules, ensuring that all projects/programmes are duly implemented as budgeted. This will be done on the basis of the following:

- i. Regular field visits to project/programme sites by designated CSR Officials of the Company;
- ii. Comprehensive documentation/compilation of Field Reports;
- iii. Regular interaction with beneficiaries to obtain feedback while on field visit;
- iv. Monitoring of timely fund utilization to ensure that projects/programmes as budgeted are actually being carried out and/or
- v. Any other activity that the CSR Committee may deem necessary in the larger interest of its CSR initiatives.

The Company shall develop appropriate reports/worksheets to monitor the CSR activities conducted. The surplus arising out of the CSR activities undertaken shall not form part of the business profit of the Company.

AMENDMENTS TO THE CSR POLICY:

The Board of Directors of the Company shall have the powers to revise/modify/amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee to confirm to the revision/amendment, if any, to be made to the CSR Rules by the Ministry of Corporate Affairs (“MCA”), under the Act.
