



CORPORATE SOCIAL RESPONSIBILITY POLICY

Amended w.e.f. 28.6.2021

CSR POLICY

1. Objectives and Vision

We wish to be perceived as a 'Company with conscience' and to actively and continually contribute to the social and economic development of the communities for the benefit of deprived, under-privileged and differently able persons. Our approach will be based on merits only without any regard to religion, caste or creed.

2. Definitions

"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.

"Board of Directors" or **"Board"** means the collective body of the directors of the Company.

"CSR Programmes" means programmes, projects and/or activities carried out by the Company as per the provisions of the Act, rules framed thereunder, Schedule VII and this Policy.

"Ongoing Project" means a multi-year project undertaken by the 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.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 or rules framed thereunder.

3. CSR Committee

In accordance with the provisions of Companies Act, 2013 (Act) and the Rules framed thereunder, the CSR committee has been constituted by the Board of Directors of the Company for undertaking and monitoring the CSR activities/programmes/projects in the areas stated under Schedule VII to the Act.

4. Focused areas under CSR Policy

Though there are numerous addressable areas where there are cultural prejudices and a lack of equity, social justice, awareness and affordability for basic rights in our society, we have identified the following areas for the well being of people, providing employment potential to them and preserving environment:

- Promoting healthcare, specially, amongst children, women, elderly and other weaker sections of the society.
- Promoting education/literacy enhancement.
- Skill development for enhancing employment and livelihood.
- Environment protection and maintaining ecological balance.
- To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
- To provide equal opportunities to beneficiaries of the Company's CSR Programs as vendors or employees on merit;
- To promote sustainability in partnership with industry associations, like the Confederation of Indian Industry (CII), in order to have a multiplier impact.

In addition to the aforesaid preferred areas, the company may take up other areas as it may deem important in future, out of any of the following activities as specified in Schedule VII to the Act as amended from time to time:

- i. 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.
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

- iii. 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.
- iv. 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.
- v. 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 art and handicrafts.
- vi. 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.
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- viii. 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- ix. (a) 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; and (b) 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, 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).

- x. Rural development projects
- xi. Slum area development.
- xii. Disaster management, including relief, rehabilitation and reconstruction activities.
- xiii. All such other activities and programmes/projects as may be added in Schedule VII of the Act or otherwise allowed by the Ministry of Corporate Affairs from time to time.

In accordance with Ministry of Corporate Affairs Circular dated 18.06.2014, the entries in the said Schedule VII above shall be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule.

5. Area of Operation for CSR

The area of operation for undertaking CSR activities will be restricted to the territorial jurisdiction of India.

6. Responsibilities of the Board:

- i. Approve the CSR Policy and any amendments thereof and the Annual Action Plan, on the basis of the recommendation of the CSR Committee.
- ii. Disclose the CSR Policy as per the requirements specified in the Act and the Rules framed thereunder.
- iii. Ensure that the CSR activities are undertaken by the Company as per the CSR Policy.
- iv. Ensure that the Company spends the amount indicated in the Act and the Rules framed thereunder in every financial year in pursuance of its CSR Policy.
- v. If the amount spent in a financial year is less than the statutory obligation, take note of the reasons for not spending the entire mandatory amount, and ensure that the unspent amount is treated as per the provisions of the Act and the Rules made thereunder.
- vi. In any financial year, if the CSR spend is in excess of the amount obligated in terms of the Act, set-off of excess spent as per the provisions of the Act and the Rules made thereunder.
- vii. Ensure that the CSR funds disbursed have been utilized for the purposes and in the manner as approved and obtain a certificate from the Chief Financial Officer of the Company to its effect.

viii. Alter the Annual Action Plan at any time, if required, during the financial year based on reasonable justification and on the recommendation of the CSR Committee.

ix. Monitor the implementation of projects with reference to the approved timelines and year-wise allocation as per the provisions of the Act and the Rules.

x. Ensure that the Company undertakes impact assessment of the programmes or projects as per the provisions of the Act read with the Rules made thereunder and take note of the impact assessment reports, if any, undertaken by the Company.

7. Responsibilities of the CSR Committee:

i. Formulate / amend and recommend to the Board of Directors of the Company:

a) The CSR Policy of the Company.

b) The Annual Action Plan in pursuance of the CSR Policy, which shall include:

- The list of CSR programmes or projects approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
- The manner of execution of such programmes or projects.
- The modalities of utilization of funds and implementation schedules for the programmes or projects.
- Monitoring & Reporting mechanism for the programmes or projects; and
- Details of Need and Impact Assessment if any, for the programmes or projects.

ii. Recommend the amount of expenditure to be incurred on CSR activities.

iii. If the amount spent in a financial year is less than the statutory obligation, take note of the reasons for not spending the entire mandatory amount, and recommend to the Board on treatment of unspent amount as per the provisions of the Act and the Rules made thereunder.,

iv. In any financial year, if the CSR spend is in excess of the amount obligated in terms of the Act, recommend to the Board set-off of excess spent as per the provisions of the Act and the Rules made thereunder.

v. Monitor the CSR Policy and the Annual Action Plan for the CSR activities of the Company from time to time.

vi. Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.

vii. Review the need for Impact Assessment, if any, for the projects or programmes.

8. Resource allocation/CSR expenditure

- i) The Company will spend at least 2% of the average net profit of the company made during the three immediately preceding financial years. The net profit would be computed in accordance with Section 198 of the Companies Act, 2013.
- ii) In the event of CSR activities being undertaken through external agencies, the Company may make the payment on the basis of work performed as per the agreement with external agency or contribute the total amount of the project in tranches for creating corpus exclusively for the project proposed to be undertaken by the external agency.
- iii) CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR projects/programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Projects/ Programmes shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Accordingly, any income arising from CSR Projects/ Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

9. Guiding principles for selection, implementation, monitoring and evaluation of CSR activities

a) Selection:

- i. The Company will receive proposals for implementation based on need assessment for funding projects during the Financial Year. Proposals may also be received from Government Departments / Agencies in larger public interest.
- ii. CSR programme/project proposals shall include:
 - Need Assessment, Baseline Survey where required.
 - Enumeration of end goals/outcomes/Impact/theory of change.
 - Specification of start date and end date.
 - Allocation of budget.
 - Clear identification of beneficiaries.
- iii CSR Committee shall evaluate proposals received and projects and partners will be prioritized for approval by assessing their potential for sustainability, scale and impact. Opportunities for complementing/supplementing Government initiatives / programmes/projects will be explored. However, funds will not be deposited in Government accounts except where the Act/Rules clearly specify such requirement.

iv. Agreements shall be signed with implementing agencies qualified to undertake CSR activities under The Act / Government Departments / Agencies for each approved project clearly outlining deliverables, timelines, and budget.

b) Implementation, monitoring & evaluation:

The implementation of the identified CSR activities shall be carried out either directly by the Company through its personnel and/or through an implementing agency. The implementing agency shall fulfill the criteria as specified under the Act or rules made thereunder

i. A progress report on periodic basis of all programmes and projects shall be provided to the Board by the CSR Committee.

iii. A 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 programmes/projects are duly implemented within stated timelines and budget.

iv. The monitoring system devised by the Company will include:

- Regular field visits to programme/project sites by designated staff/teams.
- Comprehensive documentation /compilation of field reports, including picture and video-based monitoring. E-monitoring systems will also be in place.
- Regular interaction with beneficiary communities to obtain feedback.
- Monitoring of timely fund utilization to ensure that programmes/projects as budgeted are being carried out, and
- Any other activity that the CSR Committee may deem necessary in the larger interest of its CSR initiatives.

v. Concurrent and final evaluation of CSR programmes and projects shall be undertaken by the Company.

10. Impact Assessment

The Company shall perform Impact Assessments of its CSR projects as provided in the Act read with the Rules made thereunder.

11. Documentation

The Company shall undertake comprehensive compilation of programmes and projects in Digital Formats, Audio / Video Recording etc.

12. Accounting and Audit

Programmatic and Financial Accounting of all programmes and projects shall be undertaken. Accounting and Audit guidelines shall be followed as mandated/approved by the Ministry of

Corporate Affairs, Government of India or as may be prescribed by the concerned Competent Authority in Government of India.

13 Disclosure

Disclosure on CSR shall be in accordance with the Act read with the Rules made thereunder and as applicable from time to time.

14. Reporting

The Company shall take up Mandatory Reporting as per the Act read with the Rules made thereunder.

15. Effective date and Amendments

Any Amendment in the Act and/or Rules issued by the Government from time to time shall be deemed to be suitably incorporated from the date these are applicable on the Company. In the event of any conflict between any of the provision of this Policy and the Act or rules framed thereunder or any other statutory enactments, the provisions of such Act or rules or statutory enactments shall prevail over this Policy.

In case of any amendment(s), clarification(s), circular(s), notification(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s), notification(s) etc. shall prevail upon the relevant provisions of this Policy and the Policy shall stand amended accordingly from the effective date of such amendment(s), clarification(s), circular(s) etc.