

CSR Policy

Preamble

The Company believes that working with the local communities is an integral part of business, which makes a positive difference to society. The Vision is to help contribute to the social and economic development of the communities.

It is recommended that the Company focus on the following Projects/ programs relating to CSR, hereinafter referred to as “CSR Activities”:

Scope

This policy extends to all the CSR activities as covered under Schedule VII of the Companies Act, 2013. Also, it covers additional and allied activities, as will be notified by the Ministry of Corporate Affairs or such other body as appointed/notified by the Central or State Government from time to time.

Governance

As per the Companies (Amendment) Act, 2020, the Board can discharge the functions of the CSR Committee if the amount to be spent by the Company is less than Fifty Lakh Rupees. The Board shall have the following powers:

- a. To formulate an Annual CSR Action Plan in pursuance of its CSR policy and decide on the CSR activities to be undertaken by the company and approve the amount of expenditure to be incurred on the specified activities in a financial year;
- b. To monitor the Corporate Social Responsibility Policy of the company from time to time and formulate guiding principles for selection, implementation and monitoring of CSR activities;
- c. Board can alter the Annual CSR Action Plan at any time during the financial year based on the reasonable justification to that effect;

CSR Activities

The CSR activities shall be undertaken by the company as projects or programs or activities (either new or ongoing) on the following:-

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
2. Promoting education, including supplement education and vocational training for children, women, the elderly and the differently abled and livelihood enhancement projects;
3. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centres and other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. 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;

5. 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; skill development of craftsman, artisans;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports
8. 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 caste, tribes, other backward classes, minorities and women;
9.
 - 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;
 - b. Contributions to public-funded Universities as specified in Clause (ix) (b) of Schedule VII to the Companies Act, 2013
10. Rural development projects;
11. Slum area development;
12. Disaster management, including relief, rehabilitation and reconstruction activities;
13. Such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time

Guiding Principles:

The guiding principles for selecting the CSR projects will depend on each project's long-term objective, the Institution's credibility involved in the implementation and the practical need for such projects.

CSR Expenditure:

The Company shall endeavour to expend in every financial year at least 2% of the average net profits earned during the three immediately preceding financial years, in pursuance of this Policy and in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Any unspent CSR amount or excess spent CSR amount shall be dealt with as provided in sub-sections (5) & (6) of section 135 of the Companies Act 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII to the Companies Act, 2013, as amended from time to time.

Suppose the Company spends any amount over and above such 2% of average net profits. In that case, the same is to be considered as excess CSR expenditure, which can be set off in the immediate succeeding three financial years subject to the conditions as prescribed under the Act.

Annual Action Plan

Every year, the CSR committee shall prepare an Annual Action Plan for the CSR activities of the Company in accordance with sub-rule 5 (2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014. However, the Board may alter such a plan at any time during the financial

year as per the recommendation of its CSR Committee based on the reasonable justification to the effect.

Manner of Execution of Projects:

The Company will undertake its CSR activities either directly or through a Registered Trust or through a Registered Society or establish another company under Section 8 of the Companies Act, 2013, or even collaborate with other entities, and the modalities of Execution of CSR Activities shall be determined by the Board of Directors as recommended by the CSR Committee. The Company will give preference to the local area(s) in and around our offices in India.

Modalities of Utilisation of Funds

The Company will utilise the CSR outlay for each financial year towards healthcare, education, preservation of heritage and other sectors or activities specified in Schedule VII referred to as "CSR Activities".

Steps shall be taken to ensure that the contributions are made only to institutions / agencies that have obtained a CSR Registration Number from the Ministry of Corporate Affairs.

Further, the Chief Financial Officer of the Company shall issue a certificate to the effect that the funds disbursed towards CSR have been utilised for the relevant purposes and in the manner as approved by the Board.

Implementation Schedule

The Chief Financial Officer and Company Secretary or such other person as may be nominated by the Managing Director of the Company shall monitor the implementation schedules of the various CSR projects towards which the Company has made contributions on the basis of the timelines indicated by the respective Institutions.

Monitoring and Reporting Process

The Chief Financial Officer and Company Secretary or such other person as may be nominated by the Managing Director shall monitor the progress of various projects, utilisation of funds and timeliness of implementation.

Where considered necessary, the Managing Director may advise on-site visits for the purpose of carrying out due diligence except in the case of contributions made to the Central/State Government(s). Such on-site monitoring may be carried out either by the employees of the Company or through an independent external agency.

The Company Secretary shall submit a report to the CSR Committee after each financial year's closure, providing brief details about various contributions made during the year under each broad head.

Resource Utilisation

The Company may use the CSR capabilities of their employees or avail of the services of one or more external agencies towards overseeing and monitoring the overall CSR programme of the Company. The administrative expenses to be incurred in this connection shall not exceed 5% of the total CSR outlay of the Company for the financial year.

Impact Assessment

The Company shall mandatorily undertake an impact assessment through an independent agency when the Company has an average minimum CSR obligation of Rs.10 crore or more in pursuance of subsection (5) of section 135 of the Act in the three immediately preceding financial years of their CSR projects having outlays of Rs.1 crore or more, and which have been completed not less than one year before undertaking the impact study.

The Secretary & Compliance Officer shall ensure that the impact assessment reports, wherever applicable, are placed before the Board for review after the closure of each financial year and annexed to the CSR Annual Report.

Expenses incurred in connection with the impact assessment shall be added to the overall CSR outlay for the financial year, subject to a maximum of 2% of the total CSR outlay or ₹50 lakhs, whichever is more. This will be over and above the administrative expenses incurred by the Company towards CSR

Limitation and Amendment

The Board of Directors may in their discretion, make any changes/modifications and/or amendments to this Policy from time to time.