

CORPORATE SOCIAL RESPONSIBILITY POLICY

I. BACKGROUND

Corporate Social Responsibility (CSR) embodies the various initiatives and programs of the Company in the communities and environment in which it operates. It represents the continuing commitment and actions of the Company to contribute towards economic and social development and growth.

II. OBJECTIVE

The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company will undertake CSR activities specified in Schedule VII to the Companies Act, 2013 (**Annexure - A**).

III. CONSTITUTION OF CSR COMMITTEE

The Board of Directors of the Company has constituted a CSR Committee of Directors comprising of four directors with one being an Independent Director.

IV. ROLE OF CSR COMMITTEE

The CSR Committee will play the following role in fulfilling the Company's CSR objectives:

- Recommendation of the project/ programme to be undertaken within the long term vision and strategy of the Company in respect of CSR activities, amount of expenditure to be incurred and type of activities,.
- Formulation of a monitoring mechanism for ensuring implementation of the projects / programmes undertaken or the end use of the amount spent by it towards CSR activities.

The contribution will be made for any activities undertaken within India. The Committee will give preference to the local area and areas around it where it operates in spending the amount earmarked for CSR activities.

Surplus arising out of the CSR activities will be utilized for the benefit of the community.

V. ROLE OF BOARD OF DIRECTORS

The role of the Board with respect to CSR is as under:

- Review the recommendations in respect of annual budget for CSR;
- Disclose contents of the Policy in the Company's report/ website; and
- Ensure that the Company spends in every financial year, at least two percent of the average net profits made during the three immediately preceding financial years of the Company on CSR activities.

VI. IMPLEMENTATION

- The CSR activities shall be undertaken by the company, as per its stated CSR Policy, as projects or programs or activities, excluding activities undertaken in pursuance of its normal course of business.
- Keeping in line with Section 135 of the Companies Act, 2013 and the Rules made thereunder, the Company has constituted CSR Committee which has formulated and recommended the CSR Policy to the Board of Directors, and henceforth shall recommend the amount of expenditure to be incurred on CSR activities every year in lines with the statutory provisions and monitor the implementation of the CSR policy periodically.
- CSR projects or programs or activities shall be undertaken in India Only.
- CSR projects or programs or activities shall be for the benefit of the public at large excluding the employees of the Companies.

VII. FUNDING AND ALLOCATION

- For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs/projects/Activities, the Company will allocate at least 2% of average Net Profit, (calculated as per Section 198 of the Companies Act, 2013) of the immediately preceding three financial years, as its Annual CSR Budget, or as stipulated in the relevant statute from time to time.
- Any unspent/unutilized CSR allocation of a particular year, will be carried forward to the following year. Any surplus arising out of the CSR Projects or Programs or activities shall not form the part of the Business profit of the Company.

VIII. MONITORING

CSR Committee will institute a transparent monitoring mechanism for implementation of CSR Projects or programmes undertaken by the Company .

IX. SELF ASSESSMENT

The Company will introduce mechanism for self-assessment of CSR activities pursued by it and strive to improve existing policy and systems. It will also undertake impact assessment of the development projects on the target group.

X. DISSEMINATION OF INFORMATION

The CSR Committee will report to the Board from time to time the status of the CSR projects/ activities undertaken by it along with the report on the impact created by such projects/ activities.

The Company would upload this Policy on its website www.standardindustries.co . A detailed status report on the CSR activities carried out by the Company will be disclosed every year as part of the Directors' Report in the Annual Report. The said information will also be uploaded on the website of the Company.

ANNEXURE -A

Activities which may be included by companies in their Corporate Social Responsibility Policies Activities relating to:—

- (i) Eradicating hunger, poverty and malnutrition, [“promoting health care including preventive health care”] and sanitation [including contribution to the Swachh 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;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- (viii) contribution to the prime minister's national relief 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) contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.,

(x) rural development projects.,

(xi) slum area development. (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)