

# **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 (“the Act”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the Rules”). The Company shall undertake such CSR activities as recommended by CSR Committee and approved by the Board from time to time specified in Schedule VII of the Act. **(Annexure-A)**

## **III. CONSTITUTION OF CSR COMMITTEE**

The Board of Directors of the Company has constituted a CSR Committee of Directors in line with the requirements of the Act and Rules made thereunder.

## **IV. ROLE OF CSR COMMITTEE**

The role of CSR Committee will be as follows:

- Formulate and recommend the CSR policy to the Board;
- 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;
- Monitor the Companies CSR policy and performance from time to time to ensure the Company meets the CSR requirements;
- All projects undertaken by the Company shall be approved /ratified by the CSR Committee.
- Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy and recommending any alteration in annual action plan, if any, to the Board.
- To ensure compliance of CSR provisions as required under the Act and

Rules made thereunder.

- To carry out any other roles and responsibilities as mandated by the Board from time to time and / or enforced by any statutory authority including any modification or amendment as may be applicable.

## **V. ANNUAL ACTION PLAN**

The CSR Committee shall on an annual basis, recommend an Annual Action Plan to the Board for its approval. The Annual Action Plan shall include:

- a. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- b. the manner of execution of such projects or programmes;
- c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d. monitoring and reporting mechanism for the projects or programmes; and
- e. details of need and impact assessment, if any, for the projects undertaken by the company.

Further, the Board may during the year, at the recommendation of the CSR Committee alter such plans.

## **VI. IMPLEMENTATION**

- The Company shall carry out its CSR activities:
  - a. either by itself; or
  - b. through such Implementing Agencies permitted under the Act and Rules made thereunder; or
  - c. in collaboration with other Companies or institutions.
- 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.
- CSR projects or programs or activities shall be undertaken in India only and preferably in areas where the Company has its presence.
- 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 Act)of the immediately preceding three financial years, as its Annual CSR Budget, or as stipulated in the relevant statute from time to time.

- In line with the requirements of the Act, Administrative overheads i.e. all expenses towards 'General Management and Administration' of CSR activities of the Company shall be capped at a maximum of 5%. Further, these would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation. Any surplus arising out of the CSR Projects or Programs or activities shall not form the part of the Business profit of the Company and shall be:
  - a. spent on the same project which gave rise to the surplus, or
  - b. transferred to the Unspent CSR Account of the company, or
  - c. transferred to a fund as specified in Schedule VII of the act.
- If the Company fails to spend such amount, the Board shall ensure that the unspent amount (unless relating to on-going project) shall be transferred to the specified fund in accordance with the Act and the rules. If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the next three financial years in accordance with the Act and the rules. The unspent amount relating to on-going project shall be transferred to a special account in accordance with the Act and the rules.

### **VIII. MONITORING AND REPORTING**

- CSR Committee will institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the Company.
- 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 Board of Directors of the Company will ensure that the CSR activities undertaken by the Company are in accordance with the CSR Policy, the Act and the Rules. At the end of every financial year, the Company will disclose a report on the CSR activities as part of the Board's Report.
- The CFO or the person responsible for financial management of the Company shall certify to the Board on an annual basis that the funds disbursed by the Company towards CSR activities have been utilized towards the same effect.

## **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 contents of the approved CSR Policy shall be disclosed in the Board's Report and displayed on the Company's website viz: [www.standardindustries.co](http://www.standardindustries.co).

## **XI. AMENDMENT**

The CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs from time to time, on the subject matter. In any case, the CSR Committee shall review the Policy every year once for making suitable amendments for better implementation of the Policy.

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

**The revised policy shall be effective from 12<sup>th</sup> August, 2022.**

## **ANNEXURE -A**

The following is the list of CSR activities which the Company may undertake pursuant to Schedule VII of the Companies Act, 2013:—

- (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; Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (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 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) 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;

- (x) 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);
- (xi) rural development projects;
- (xii) 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;
- (xiii) disaster management, including relief, rehabilitation and reconstruction activities.

**CSR Projects/Programmes to be undertaken during FY 2022-23**

<b>Sr. No.</b>	<b>CSR projects</b>	<b>Activity under Schedule VII</b>	<b>Name of the Beneficiary Organisation / NGO/ School/ Health Centre/ Local body</b>	<b>Manner of Execution (Direct/ Through Implementing Agency)</b>	<b>Estimated Amount (Rs in lakhs)</b>
1	Promoting health care	(i)	Mukul Madhav Foundation	Through Implementing Agency	5.00
2	Promoting education and employment enhancing vocation skills	(ii)	1.Mukul Madhav Foundation 2. CCMT- All India Chinmaya Yuva Kendra	Through Implementing Agency	71.00
3	Ensuring environmental sustainability	(iv)	Contribution to Clean Ganga Fund	Direct	22.00
4	Socio Economic Development	(viii)	Contribution to PM CARES Fund	Direct	22.00