

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy)

Amendment Rules, 2021

(MCA Notification dated 22nd January, 2021)

AS ADOPTED BY

KASHI VISHWANATH TEXTILE MILL PRIVATE LIMITED

(hereinafter called “the Company”)

(CIN: U51311DL1996PTC079814)

ADOPTED AS ON 01.04.2023

CONTENTS		
Sr.No.	Particulars	PageNo.
1.	Preamble	3
2.	Company's Philosophy	3
3.	Background	3
4.	Definitions	4
5.	Scope and applicability	5
6.	Objectives of CSR Policy	5
7.	Governance structure	6
8.	Responsibilities of the CSR committee and board of directors	7
9.	Principles of Selection of Policy	8
10.	Focus Areas/Goals	9
11.	Implementation	12
12.	Monitoring process of CSR activities	13
13.	Annual Action Plan	13
14.	Budget, Allocation and CSR Expenditure	14
15.	CSR Reporting and Disclosure	15
16.	Transfer of unspent CSR Amount	15
17.	Effective Date	15
18.	Contact	15

1. PREAMBLE

KASHI VISHWANATH TEXTILE MILL PRIVATE LIMITED's vision is “to be a global leader in value creation and corporate citizenship”. The Company has always endeavored to conduct its business in a responsible manner and be mindful of its social accountability, respecting applicable laws and with regard for human dignity. The Company's long-term **CSR mission** is “to improve the quality of life of the communities we serve globally through long term value creation for all stakeholders”, which is in alignment with the SPNG Group Core Purpose.

The Company shall allocate at least 2% of its average net profits before taxes of the preceding three financial years, towards CSR activities to sustain and improve a healthy and prosperous environment and to improve the quality of life of the communities it serves. The Company may also utilize its products and services as suitable for its CSR activities. Any surpluses arising out of CSR projects or programmes or activities shall not form a part of the business profits of the Company and shall be utilized in the manner specified in the Companies Act, 2013 and Rules there under.

The company shall strive to positively impact and influence its employees and partners in fostering a sense of social commitment for their stakeholders.

2. COMPANY'S PHILOSOPHY

It is the Company's philosophy, firm belief and intent to effectively implement CSR and make a positive difference to society. It recognizes that it cannot do it all; so that if there are choices to be made, bias will be towards doing fewer projects with better outcomes and good impact and will focus initiatives on communities in which the Company lives, operates and particularly forming community whose development is the basic mission of the Company.

3. BACKGROUND

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Company is, inter alia, required to:

- i. Constitute a Board Committee to formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy, recommend the amount of CSR expenditure and monitor the CSR activities of the Company from time to time.
- ii. Kashi Vishwanath Textile Mill Private Limited, the company through the recommendations made by the **Corporate Social Responsibility Committee ('CSR Committee')** has developed a **Corporate Social Responsibility Policy** (hereinafter to be referred as '**CSR Policy**') in alignment with its objective, principles and values, for delineating its responsibility as a socially and environmentally responsible corporate citizen.
- iii. Ensure that the Company spends, in every financial year, at least two per cent of the average Net Profits before Tax (PBT) of the Company, made during the three immediately preceding financial years, in pursuance of its CSR Policy.

4. DEFINITIONS

- a) **"Act"** means the Companies Act, 2013 (18 of 2013);
- b) **"Annexure"** means the Annexure appended to these policy;
- c) **"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;
- d) **"Corporate Social Responsibility (CSR)"** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in as referred under Schedule VII and/or section 135(4) of the Act and/or CSR rules and/or any amendments/notification/circulars issued by MCA as amended from time to time, if any;
- e) **"CSR Committee"** means the committee constituted under the section 135 (1) of the Act and read with rules the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, if any;
- f) **"CSR Policy"** means the policy drafted or formulated or recommended to the Board under the provisions of the section 135 (3) of the Act and rules the Companies (Corporate Social Responsibility Policy) Rules, 2014, and as amended from time to time, if any, a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities.
- g) **"International Organization"** means an organization notified by the Central Government as an international organization under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;
- h) **"net profit"** means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:
 - i) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act
- i) **"Ongoing Project"** means a multi-year project undertaken by a 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;
- j) **"Public Authority"** means 'Public Authority' as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005);
- k) **"section"** means a section of the Act.

Words and expressions used and not defined in this policy but defined in the Act and/or rules shall have the same meanings respectively assigned to them in the Act or rules.

5. SCOPE AND APPLICABILITY OF THE POLICY

- i) The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. ("CSR Rules") and Schedule VII ("Schedule") of the Act or notification or circular issued by Ministry of Corporate Affairs ("MCA") define and includes activities but these are not limited to:
 - (a) Projects and program relating to activities specified in schedule VII to the Act or
 - (b) Projects and programs relating to activities under taken by Board of Directors ("Board") of the

Company in pursuance of recommendations of the Corporate Social Responsibilities Committee (“CSR committee”) as per the declared Corporate Social Responsibilities Policy (“CSR policy”) of the Company subject to the condition that such policy will cover subjects enumerated in schedule VII of the Act”.

- ii) This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under- privileged.
- iii) Activities/Projects/Programs of The Company relating to Corporate Social Responsibility will be in line with the below mentioned thrust areas and other areas mentioned under Schedule VII of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time.

6. OBJECTIVE OF THE CSR POLICY

- To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To take up programmes that benefit the communities in and around its work Centre’s and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- To generate a community goodwill for the Company and help reinforce a positive and socially responsible image of Company as a good corporate citizen of the Country.
- To facilitate an enabling environment for underprivileged children to access quality education and health care services.
- To enhance employability of the underprivileged youth through industry-relevant vocational trainings.
- And such other matter of common good or for the benefit of public, as decide by CSR committee.

7. GOVERNANCE STRUCTURE



Section 135 of Companies Act, 2013 mandates every company having a net worth of Rs. 500 Crore or more or turnover of Rs. 1,000 Crore or more or net profit of Rs. 5 Crore or more during the immediately preceding financial year to constitute a Corporate Social Responsibility (CSR) Committee.

The CSR Committee of the Board is responsible to formulate and recommend to the Board the CSR Policy indicating the activities falling within the purview of Schedule VII to the Companies Act, 2013, to be undertaken by the Company, to recommend the amount to be spent on CSR activities presented by the CSR Committee and to monitor the CSR Policy periodically. The CSR Committee will be

supported by the identified volunteers from the employees made up of cross-functional team, for implementation of the approved projects.

Composition of CSR Committee:

The CSR Committee of the Board of Directors comprises of the following Members:

S. No.	Name of Member	Designation
1.	Mr. Yogesh Kumar Jindal	Chairperson of the CSR Committee
2.	Ms. Sudha Jindal	Member

Meetings:

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The members would thrive to hold **at least two meetings in a financial year.**

Review:

The Committee shall periodically review the implementation of the CSR Programmes and issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this Policy. It would be the responsibility of the CSR Committee to periodically keep the Board apprised of the status of the implementation of CSR activities.

8. RESPONSIBILITIES OF THE CSR COMMITTEE AND BOARD OF DIRECTORS:

CSR Committee:

The responsibilities of the CSR committee include-

- | |
|---|
| a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013; |
| b) Recommend the amount of CSR expenditure to be incurred on the activities referred Schedule VII of the Companies Act, 2013; |
| c) To formulate and recommend to the Board, annual action plan in pursuance of the Company's CSR policy which shall include the following: <ul style="list-style-type: none">➤ the list of CSR projects or programmes;➤ the manner of execution of such projects or programmes;➤ the modalities of utilization of funds and implementation schedules for the projects or programmes;➤ monitoring and reporting mechanism for the projects or programmes; and➤ details of need and impact assessment, if any, for the projects undertaken by the company; |
| d) Monitor the Corporate Social Responsibility Policy of the company from time to time including monitoring the progress of projects or programs against which CSR expenditure is contributed; |
| e) Give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities |
| f) Impact Assessment: Board CSR Committee ensure that impact assessment is carried out, through an independent agency, in case CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study and the impact |

assessment reports are placed before the Board.

g) Provide compliance oversight and ensure adoption of best practices and standards.

h) To ensure transparency in reporting and communication with stakeholders on CSR projects and initiatives.

i) Other responsibilities:

- Identify/suggest CSR projects forming part of the annual action plan.
- Recommend annual CSR Budget and allocation between proposed projects.
- Formulation of annual action plan for being approved by the Board CSR Committee and Board of Directors.
- Define and facilitate processes for selection of suitable organizations to partner with The Company for implementing CSR programs.
- Monitor progress of CSR projects against project completion and implementation timelines agreed at
- the time of contracting / execution of Memorandum of Understanding (MOU).
- Review progress reports of approved Projects for being placed before Board CSR Committee and Board of Directors.
- Provide oversight and guidance for conduct of quarterly/yearly review of implementing agencies to ensure project delivery as per agreed outcomes.
- Obtain/furnish project-specific utilization certificate for CSR programmes/projects annually.
- Define and facilitate processes for selection of suitable organizations to partner with BOSCH for carrying out impact assessments.
- Provide required inputs for preparation of annual report on CSR and other reporting requirements.

Board of Directors:

The Board of Directors is entrusted with the following responsibilities:

a) To approve CSR policy of the Company based on the recommendations of the Board CSR Committee.

b) To approve annual action plan based on the recommendations of the Board CSR Committee.

c) Ensure CSR activities are undertaken by the Company itself or through implementing agencies, eligible as per the prevailing provisions of the Companies Act, 2013 (the "Act").

d) Approve overall CSR budget and allocation between proposed projects.

e) Ensure contribution towards CSR initiatives is equivalent of or in excess of the minimum CSR obligation stipulated in the provisions of the Act, as may be amended from time to time.

f) Ensure funds so disbursed have been utilized for the purposes and in the manner as approved by the Board of Directors.

g) Ensure unspent CSR amounts, if any unless it relates to any ongoing project, are transferred to a Fund specified for this purpose, within a period of six months of the expiry of the financial year.

h) Ensure that any surplus arising out of the CSR activities:

- shall not form part of the business profit of a 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 for this purpose as per the Act, within a period of six months of the expiry of the financial year

i) Accord approval for setting-off excess CSR expenditure against the requirement for CSR spending up to immediate succeeding three financial years.
j) Ensure CSR amounts spent by the Company for creation or acquisition of a capital asset, shall be held by: <ul style="list-style-type: none"> ➤ a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or ➤ beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or ➤ a public authority:
k) Ensure expenditure incurred on impact assessment in a financial year, does not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.
l) Ensure administrative overheads do not exceed five percent of total CSR expenditure of the company for the financial year;
m) Periodically review progress reports for implementation of CSR programs / projects, including on-going projects, forwarded by the Board CSR Committee.
n) Ensure disclosure of the composition of the CSR Committee, CSR Policy and Projects approved by the Board on Company's website for public access.

9. PRINCIPLES OF SELECTION OF POLICY

Kashi Vishwanath Textile Mill Private Limited believes that the actions of the organization and its community are highly inter- dependent. The Company, through constant and collaborative interactions with its external stakeholders, strives to become an asset in the communities where it operates. As part of the CSR program, the Company actively implements the projects and initiatives for the betterment of society, communities, and the environment. The company's support to any project will depend on the scale of the project and feasibility of the project.

While identifying the projects all efforts must be made to the extent possible to define the following:

- a. Project objectives;
- b. Baseline survey – it would give the basis on which the outcome of the Project would be measured;
- c. Implementation schedules- Timelines for milestones of the Project will need to be prescribed;
- d. Responsibilities and authorities;
- e. Major results expected and measurable outcome

10. FOCUS AREAS/GOALS

CSR PROGRAMMES/PROJECTS:

The Company would focus the CSR activities around following thrust areas:

- A. Education
- B. Any other program, which the committee shall deem fit.

Annexure A: CSR Interventions:

CSR THEME	CSR PROGRAMME AND INITIATIVES	Ref. Sr.No of Schedule VII of Companies Act
Education	<ul style="list-style-type: none">• Setting up and running educational institutions and hostels• Setting up and running mid-day meal kitchens• Training of teachers and headmasters• Improving quality of education in existing schools• Augmenting and supporting infrastructure in educational institutions• Offering scholarships and financial assistance to needy and meritorious students• Bridging drop-out children and mainstreaming them to formal schools• Developing educational material and methodologies• Supporting and promoting co-curricular activities• Advocacy of best practices• Education for mainstreaming disabled children	I & II
Health	<ul style="list-style-type: none">• Setting up and running clinics and hospitals• Running mobile medical vans and ambulances• Organizing health camps• Providing financial assistance to needy patients, on a case-to-case basis• Reducing infant and maternal mortality• Preventing and treating communicable diseases like malaria, tuberculosis and HIV / AIDS• Treating and rehabilitating• Working on adolescent and reproductive sexual health issues• Promoting awareness about various health issues and generating demand for health services• Undertaking and supporting research on health-related issues• Ensuring access to potable drinking water and hygienic sanitation	I

Livelihoods	<ul style="list-style-type: none"> • Setting up and running skill development centres, industrial training centres, diploma and polytechnic institutes, community colleges, etc • Sponsoring candidates for skill development and vocational training programmes offered at identified institutions • Coaching candidates to appear for entrance examinations of different institutions • Creating, training and supporting entrepreneurs • Supporting Persons with Disabilities to lead a life of self-dependence and dignity • Creating, training and supporting self-help groups, federations, co-operatives, societies and similar institutions • Building capacities of farmers on improved methods of agriculture and other allied sectors • Developing water harvesting structures and irrigation facilities • Supporting farmers with quality inputs, technical know-how and timely information • Creating markets and marketing linkages for farm and forest-based produce 	II
Rural Development	<ul style="list-style-type: none"> • Rural development projects of building and maintaining community-based rural infrastructure like roads, bridges, culverts, drains, rural electrification, water infrastructure, community Centre's, youth clubs, etc. 	X
Sports	<ul style="list-style-type: none"> • Setting up and running academies and sports training centres for supporting grassroots sports talent • Organizing sports tournaments and coaching camps for community • Supporting sportspersons to participate in state, national and international events • Offering scholarships and sports equipment to deserving sportspersons • Promoting adventure sports • Organizing leadership and motivational camps • Constructing stadia and sports infrastructure 	VII

Ethnicity	<ul style="list-style-type: none"> • Preserving and promoting tribal languages, scripts and literature • Preserving and promoting fine arts and performing arts • Preserving and promoting indigenous sports • Preserving and promoting various aspects of folk and tribal cultures • Organizing cultural events • Restoring and renovating memorials, monuments and heritage structures • Mainstreaming Particularly Vulnerable Tribal Groups (PVTGs) • Undertaking and supporting research on anthropological and ethnic issues 	V
Environment	<ul style="list-style-type: none"> • Undertaking plantations and afforestation activity • Promoting renewable sources of energy • Recharging ground water levels • Conserving biodiversity and supporting research, awareness and advocacy on issues related to biodiversity • Promoting awareness about environmental issues 	IV
Disaster Relief	<ul style="list-style-type: none"> • Extending relief measures during times of natural disasters anywhere in the country • Undertaking and supporting rehabilitation measures post-disasters 	XII
Support to Technology Incubators	<ul style="list-style-type: none"> • Funding research projects at technology hubs for environmental and social sustainability 	IX

The CSR & Sustainability Committee of the Board may, from time to time, recommend donating or making grants to the PM's fund or funds set up the State Governments or to non-profit organizations and other institutions whose activities are aligned with the CSR programmes and activities of the Company.

Annexure B: Guiding Principles for CSR

- **Impact**– All CSR initiatives will have well-defined Key Performance Indicators to measure impacts on target communities and groups. For high impact projects, there will be independent, third-party assessments and feedback will be a key input for redesign and / or rollout of further initiatives.
- **Partnerships**– The Company may forge collaborations with business partners, other SPNG Group Companies and like-minded corporate organizations, funding agencies, non-government organizations, community-based organizations, Governments and Government organizations, based on well-defined selection criteria. Partners will bring in complementary resources, expertise and influence which would be leveraged to force-multiply the company's CSR initiatives.

Kashi Vishwanath Textile Mill Private Limited may engage closely with **Rotary Club** and work jointly and/or severally on projects which are aligned to the Company's CSR strategy and in its operational areas. The company may also leverage the products and services of SPNG Group Companies for its CSR initiatives in alignment with its CSR strategy.

- **Affirmative Action**– The Company will design targeted interventions for Scheduled Castes and Scheduled Tribes to promote Education, Employability, Employment and Entrepreneurship. The Company will also work on promoting Ethnicity to preserve the cultural fabric of these communities.
- **Volunteerism**– The Company is committed to providing opportunities to its employees, their families and the larger Tata Steel ecosystem to engage in volunteering activities that will benefit the communities in which they live and work, and at the same time, support The Company' own CSR efforts. This will not only deepen local community connect but will also leverage in-house skills in addressing social challenges, thereby creating both social and business impacts.
- **Communication**– The Company will have a two-way communication channel, so that the stakeholders' needs, expectations and aspirations can be mapped and their feedback and satisfaction levels can be obtained and assessed for the purposes of design and improvement of initiatives.
- **Innovation**– The Company will endeavor to develop innovative solutions to solve seemingly intractable social problems. These will encompass technology, as well as models for sourcing, partnering and delivery of initiatives.

11. IMPLEMENTATION

- a) CSR Projects will be undertaken based on the recommendation of the CSR Committee to the best possible extent, within the defined Focus / Thrust Areas.
- b) The Board shall ensure that the CSR activities are undertaken by the company itself or through-
 - i) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - ii) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - iii) any entity established under an Act of Parliament or a State legislature; or
 - iv) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- c) Every entity, covered above, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar of Companies,

Delhi & Haryana, with effect from the 01st day of April 2023 and obtain a unique CSR Registration Number:

Provided that the provisions of this sub-rule shall not affect the CSR projects or programmes approved prior to the 01st day of April 2023.

- d) The Company may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes as per the CSR policy as well as for capacity building of their own personnel for CSR.
- e) The Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.
- f) The Board of The Company shall satisfy itself/ or be satisfied that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management, in the absence of the Chief Financial Officer shall certify to the effect.
- g) The CSR Committee shall provide guidance on the allocation of the CSR budget among the thrust areas on an annual basis.
- h) In case of ongoing project, the Board of The 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 within the overall permissible time period.

12. MONITORING PROCESS OF CSR ACTIVITIES

- a. To ensure effective implementation of the CSR activity at each location, a monitoring mechanism will be put in place by the CSR Management Committee.
- b. Annual action plan will be formulated by the CSR Committee with respect to the CSR projects undertaken by the Company.
- c. Any other donations will be cleared / signed off by any one of the CSR Committee member.
- d. The CSR Committee will monitor and review on a periodical basis the progress of CSR activities undertaken / completed.
- e. In order to ensure transparency and communication with all stakeholders, the CSR Committee will document the details of the Company's CSR initiatives, CSR expenditure, CSR unspent amount and ensure that the same are reported in the Annual Report on CSR Activities forming part of Board's Report of the Company.

13. ANNUAL ACTION PLAN

The Annual action plan will be formulated by the CSR Committee and the same will be recommended to the Board. The annual action plan in pursuance of its CSR policy, shall include the following, namely:

- 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 as specified in sub-rule (1) of rule 4;
- c. the modalities of utilization 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:

The 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.

14. BUDGET, ALLOCATION AND CSR EXPENDITURE

- a. For achieving the CSR objectives through implementation of meaningful and sustainable CSR Projects, the CSR Committee will allocate for its Annual CSR Budget, 2% or more of the average net profits of the Company made during the three immediately preceding financial years, calculated in accordance with the relevant provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- b. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
- c. Any surplus arising out of the CSR activities 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.
- d. Any amount remaining unspent pursuant to any ongoing project, undertaken by The Company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of 30 days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
- e. In case The Company spends an amount in excess of at least 2% of the average net profits of the Company made during the three immediately preceding years (as per sub-section (5) of section 135), such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
 - (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of Rule 7 of the Companies (Corporate Social Responsibility) Amendment Rules, 2021.
 - (ii) the Board of the company shall pass a resolution to that effect.
- f. The CSR amount may be spent by The Company for creation or acquisition of a capital asset, which shall be held by –
 - a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub- rule (2) of rule 4;

- or
- beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities;
- a public authority:

Provided that if any capital asset created by the Company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

15. CSR REPORTING AND DISCLOSURE

a) Annual Report on CSR

Annual Report on CSR shall form part of the Board's Report.

b) Impact Assessment

- i. In case The Company has an average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
- ii. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- iii. In case The Company undertakes an impact assessment, then it may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

c) Disclosure

The Company shall mandatorily disclose the composition of the CSR Committee, CSR Policy and Projects approved by the Board on its website at <https://www.indostar.com> and weblink for public access.

16. TRANSFER OF UNSPENT CSR AMOUNT

Until a fund is specified in Schedule VII for the purposes of subsection (5) and (6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in schedule VII of the Act.

17. EFFECTIVE DATE

This policy shall be effective from **01st April, 2023**.

18. CONTACT

For queries related to CSR policy, please contact (queries resolved by CSR committee)

1. **Yogesh Kumaar Jindal (Director)**
2. **Sudha Jindal (Director)**

Registered Office & Corporate Office: A-80, Vivek Vihar Phase-I, Delhi-110095, India
&
5 KMS. Ramnagar Road, Kashipur-244713 (Uttarakhand)
India
Email ID : finance.ispat@spnggroup.com

•

