



CORPORATE SOCIAL RESPONSIBILITY POLICY

(Amended as on 30.03.2021)

Brief Background:

As per section 135 of the Companies Act, 2013, every company having Net worth of Rs.500 crores or more, or turnover of Rs.1000 crores or more, or a net profit of Rs.5 crores or more in immediately preceding financial year shall constitute a Corporate Social Responsibility (CSR) Committee, in order to undertake activities that would come under the purview of CSR activities as specified under Schedule VII of the Companies Act, 2013. Company shall also formulate CSR policy in this regard.

Objective:

CSR policy encompasses the company's philosophy for delineating its responsibility as a corporate Citizen and lays down the guidelines and mechanism for carrying out socially useful activities/ projects and programmes for welfare and sustainability, development of community at large. The Company is since its inception has been responsible to the society and has undertaken activities which promote various social and charitable objectives.

Ethics, Transparency & Accountability:

The Company is committed to maintain ethical value, transparency and accountability. Further, the Company will not engage in the business practices that are abusive, unfair and corrupt.

CSR Activities:

The company may undertake / fund project, programs or activities of the following nature and also undertake such other activities as may be approved by the board as is falling under schedule VII of the Act 2013.

- 1) Rural Development Projects
- 2) Health and Wellness
- 3) Education
- 4) Technology
- 5) Disaster Relief
- 6) Environment



CSR Spending:

At least 2 percent of the average net profit of the preceding three financial years to be spent on CSR activities every year by the Company. In case the Company spends an amount in excess of the requirement, then the Company may set off such excess amount against the requirement to spend in the immediately succeeding three financial years.

Composition of CSR Committee:

The CSR Committee shall consists of minimum three Directors among which one shall be Independent Director.

Role of CSR Committee:

The CSR Committee constituted in pursuance of Section 135 of the Companies Act, 2013 shall be required to carry out the following activities

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) Monitor the Corporate Social Responsibility Policy of the Company from time to time
- d) Formulation of Annual Action Plan, in accordance with CSR Policy

Formulation of Annual Action Plan

The CSR committee shall formulate and recommend to the Board an Annual Action plan in pursuance of this Policy, which shall be the road map for the implementation of CSR projects approved by the Board of Directors. The Annual action plan shall include the following:

- 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 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- 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

The Board may alter the annual action plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to the effect and the same shall be included in the policy as an annexure. The Board has the power to extend, the time period of any project, that was initially not approved as a multi-year project, beyond one year and the same shall be considered as “Ongoing Project”.

CSR through Company/ Trust/ Society

The Company may undertake CSR activities either on its own or any other Trust/ Society/ Company/Entity as may be decided by the Board.

The entities undertaking the CSR activities on behalf of the Company shall be in compliance with sub-rule (1) and (2) rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

Disclosures in the Annual Report of the Board

The Annual Report of the Company shall include an annual report on CSR activities on the format annexed to rules framed under Section 135, which shall include, inter alia, the following information:

- The composition of the CSR Committee.
- The details of the CSR Policy developed and implemented and the initiatives taken during the year
- If the company fails to spend the CSR amount as prescribed by Companies Act, 2013, the reason for not spending the required amount



Display of CSR Policy on the website:

The CSR Policy and composition of CSR Committee shall be placed on the website of the Company for public access.

Surplus arising out of CSR Activities:

Surplus arising out of CSR activities, if any, shall not form part of the business profit of the company.

Amendment to the Policy:

The Board of Directors on the recommendation of CSR committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/ amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.



Annexure 1

Annual Action plan for the Financial Year 2020-21

S.No	CSR Project or Activity Identified	Sector in which the Project Covered	Local Area/Not Local Area District & State	Total Outlay as per Estimate	Mode of Implementation	Actual duration fixed for the Project	Extended Period for the Project	Total Duration of the Project
1.	Maintenance of Roads	Rural Development	Not Local Area Kannur, Kerala	3170925	Direct	12 months (latest by 31 st March 2021)	6 months	18 months (latest by 30 th September 2021)