

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### **OBJECTIVE:**

Elcid Investments Limited (“EIL” or “Company”) is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The CSR policy of the company is laid out as under.

### **PURPOSE OF CORPORATE SOCIAL RESPONSIBLE (CSR) COMMITTEE:**

Keeping in line with provisions Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time, the Board of Directors of the Company shall form a Corporate Social Responsibility Committee (hereinafter referred to as the “CSR Committee”) comprising of three or more directors out of which at least one director shall be an independent director, to inter alia, carry out the following primary functions:

1. Formulate the CSR Policy and recommend the same to the Board for its approval;
2. Formulate and recommend an Annual action plan along with Budgeted CSR Expenditure (including any revisions thereto) to the Board for its approval;
3. Identify projects of the Company as “Ongoing Projects”;
4. Recommend the annual CSR expenditure budget to the Board for approval;
5. Approve unbudgeted CSR projects where the annual outlay is more than Rs. 1 Crore but not exceeding 10% of the total CSR budget for the financial year;
6. Review implementation of CSR activities of the Company within the applicable framework;

### **COMPOSITION OF COMMITTEE:**

The committee shall consist of three or more members, out of which at least one should be Independent Director.

### **CSR ACTIVITIES:**

The CSR projects and programs to be undertaken by the Company shall include activities falling within the preview of schedule VII of Companies Act, 2013, read with The Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time. These programs will be executed by the Company and where appropriate in partnership with local government, various NGO partners, service providers and others.

The following CSR Activities and Programs are included:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, sanitation and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, 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, day care centres and such 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;
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 govt. for socio economic development and relief and welfare of the schedule 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; and  
B) 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).]
10. Rural development projects
11. Slum area development.
12. disaster management, including relief, rehabilitation and reconstruction activities.

**IMPLEMENTATION:**

Subject to the provisions of the Companies Act, 2013 as applicable from time to time, the Company may carry out its CSR activities:

- (a) Either by itself; OR
- (b) through such Implementing Agencies permitted under the Companies Act, 2013; OR
- (c) in collaboration with other Companies.

## **ANNUAL ACTION PLAN:**

The CSR Committee of the Board of Directors of the Company 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 programs 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 programs.
- (c) the modalities of utilization of funds and implementation schedules for the projects or programs.
- (d) monitoring and reporting mechanism for the projects or programs; and
- (e) details of need and impact assessment, required 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.

## **CSR CONTRIBUTION AND FUNDS**

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

1. 2% of the average Net Profit made by the Company during immediately preceding three Financial Years.
2. any income arising there from.
3. surplus arising out of CSR activities carried out by the company and such surplus will not be part of business profit of the company.

## **CSR EXPENDITURE & BUDGET:**

1. CSR expenditure will include all amounts incurred/contributed by the Company towards its CSR Programs. CSR expenditure shall also include all direct and indirect expenditure incurred towards the CSR Programs as may be admissible under the regulatory framework.
2. In line with the requirements of the Companies Act, 2013 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% of total CSR expenditure. Further, these would not include expenses incurred by the Company towards designing, implementation, monitoring and evaluation.

3. The overall amount to be committed towards CSR will be approved by the Board of Directors as a part of its Annual Action Plan. Within the Budget the allocation towards specific CSR initiatives/projects will be approved by the CSR Committee of the Board. All projects undertaken by the Company shall be approved /ratified by the CSR Committee.
4. During any financial year, the Annual Action Plan of the Company may be modified to include any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s), with the prior approval of the CSR Committee.
5. 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 in Schedule VII, within a period of six months of the expiry of the financial year.

#### **MONITORING AND REPORTING:**

1. Periodic monitoring and reporting will be done by the company to the best extent possible and will report its findings to the CSR Committee periodically.
2. The CSR initiatives / projects of the Company shall also be reported every year in the Annual Report of the Company.

#### **DISCLOSURE:**

The company shall disclose this Policy or such other information as required under section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time and the CSR activities/projects conducted, every year in the Annual Report of the Company.

#### **AMENDMENT:**

Any or all provisions of the CSR Policy would be subject to revision / amendment by the Board of Directors of the Company based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued, from time to time.