

# **INDAG RUBBER LIMITED**

(CIN-L74899DL1978PLC009038)

## ***CORPORATE SOCIAL RESPONSIBILITY POLICY***

(Revised on November 12, 2021)

## **INDAG CSR POLICY**

### **1. An Overview**

1.1 The philosophy of the Company is to recognize its responsibility as a corporate citizen and to leave a positive impact through its activities on the environment, customers, communities, shareholders or to other stakeholders. CSR policy of the company lays down the guidelines and mechanism for undertaking the activities for the welfare of the different segments of the society in which it operates.

### **2. Our Vision and Objectives**

2.1 To actively contribute to the social and economic development of the communities in which we operate, so as to promote sustained growth for the society and community.

### **3. CSR Activities**

3.1 The activities undertaken by the Company in pursuance of the CSR policy shall be relatable to Schedule VII of the Companies Act, 2013, as amended from time to time.

### **4. CSR Plan**

4.1 The CSR committee will facilitate the Annual CSR action plan containing the clear terms of reference outlining the key tasks, duration of assignment, allocation of budget for different projects, method of implementation and review.

### **5. CSR Budget**

5.1 The CSR budget shall be according to Companies Act, 2013 which at present is 2% of the average net profits of the Company made during three immediately preceding financial years.

5.2 Average net profits shall be calculated in accordance with the provisions of section 198 of the Companies Act, 2013.

5.3 The expenditure on various projects undertaken as CSR activities will be decided and recommended by the CSR committee to the Board for approval.

5.4 The CSR committee will formulate the criteria for the utilization of the funds on various projects adopted by the company.

- 5.5 If the company fails to spend at least two per cent of the average net profits of the company, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act.
- 5.6 The excess amount can be set off against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014 and in case any excess amount is left for set off, it will lapse at the end of the said period.
- 5.7 Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.
- 5.8 Expenditure on building CSR capacities of our own personnel as well as those of implementing agencies through institutions with established track record of at least three financial years, including expenditure on administrative overheads shall not exceed five percent of total expenditure of the company in one financial year.

## **6. Identification of Programmes**

- 6.1 While identifying the programmes, all efforts must be made to the extent possible to define the following:
- a. Programme objectives
  - b. Baseline survey- It would give the basis on which the outcome would be measured.
  - c. Implementation schedules- Timeline prescribed
  - d. Responsibilities and authorities
  - e. Major results expected and measurable outcome.

## **7. Implementation**

- 7.1 Project activities identified under CSR are to be implemented by specialized agencies, which would include- Voluntary Organizations (VOs) formal or informal Elected local bodies such as Panchayats, Institutes/Academics Institutions, Trusts, Self Help Groups, Govt./Semi Govt./Autonomous Organizations, Mahila Mandals, Professional Consultancy Organizations etc.

7.2 Initiatives of State Governments, District Administration, Local Administration as well as Central Government Departments, Agencies, Self Help Groups, etc., would be dovetailed and synerized with the initiatives taken by Indag.

7.3 The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

## **8. Review and Reporting**

8.1 The Corporate Social Responsibility activities undertaken by the Company will be monitored by the Corporate Social Responsibility Committee duly constituted by the Board. The committee will be responsible to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.

8.2 CSR Committee will provide the report on the status of the implementation of CSR projects or activities at the interval of three months.

8.3 In case the CSR projects are undertaken through a trust, society or a company registered under section 8 of the Companies Act, 2013 then such trust, society or a company shall submit the project report, funds utilization certificate and the statement of accounts.

8.4 A report of the activities undertaken by the company will be prepared by CSR committee and annexed to the annual report of the company.

## **9. Display**

9.1 The Board of Directors shall disclose main contents of CSR policy in its report and shall also display it on company's website.