Phone : (033) 4050 5000
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# CORPORATE SOCIAL RESPONSIBILITY POLICY

**(As per Companies Act, 2013 and SEBI (LODR) Regulations, 2015)**

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"Our mission is to create a positive and sustainable impact on society by undertaking responsible Corporate Social Responsibility initiatives that promote education, healthcare, environmental sustainability, livelihood enhancement, community development, and inclusive growth, while upholding the highest standards of ethics, transparency, and corporate governance."

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## 1. CORPORATE SOCIAL RESPONSIBILTY (CSR) - PHILOSOPHY:

The Company's Corporate Social Responsibility ("CSR") philosophy is centered on promoting inclusive and sustainable development through initiatives that improve the quality of life of communities, protect the environment, and contribute to the nation's socio-economic progress. The Company seeks to support programmes that generate measurable, meaningful, and lasting social impact in the areas of education, healthcare, environmental sustainability, skill development, women empowerment, rural development, and other activities specified under Schedule VII of the Companies Act, 2013.

The Company shall endeavour to undertake CSR initiatives in a strategic, transparent, and accountable manner, ensuring that its resources are utilised effectively to create sustainable benefits for society while upholding the highest standards of corporate governance and ethical business practices.

## 2. CSR FOCUS AREA:

At Khaitan (India) Limited, Company may undertake CSR activities which the Board may decide from time to time, in any areas or subjects in accordance with the requirements under the Companies Act, 2013 (the**“Act”)** and the rules/regulations framed thereunder and circulars/clarifications issued thereunder (collectively, “the **Applicable Law”).**

**Khaitan’s** CSR activities, within the ambit of Schedule VII of the Companies Act, 2013 amongst others, will focus on:

- Education and skills development to enable sustained livelihood.
- Health care including preventive health.
- Environmental sustainability and ecological balance.
- Gender equality and empowerment of women.
- Promotion of national heritage, art and culture.
- Rural Development.
- Disaster relief and rehabilitation.

- To take up programmes that benefit the communities in and around its work centers and over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- Extending Comprehensive Integrated Services to the community.
- To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interest of all its stakeholders.

## 3. DEFINITIONS:

In this Policy, unless the context otherwise requires:

1. "Act" shall mean the Companies Act 2013 and the rules made thereunder, including any modifications, amendment or re-enactment thereof.

2. "Agency" (or Agencies) means any Section 8 Company or a registered trust/ society/NGO/ institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company or its holding or subsidiary company/companies.

3. "Approved Budget" shall mean the total budget as approved by the Board of the Company upon the recommendation of the Board, which is to be utilized for CSR Projects.

4. "Board" shall mean the Board of Directors of the Company.

5. "Company" shall mean Khaitan (India) Limited and wherever the context requires, shall signify the Company acting through its Board.

6. "CSR Policy" shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR Expenditure thereon.

7. CSR Projects" or "Projects" means Corporate Social Responsibility projects/activities/ programs/ initiatives instituted in India, either new or ongoing, and include but not limited to those undertaken by the Board in

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pursuance of recommendations of the board as per the declared CSR Policy of the Company. Projects/ activities/ programs/ initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

8. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

9. "Group Companies" means holding, subsidiaries and associates of the Company.

10. "Net profit" shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.

11. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

## 4. CSR ROLES AND RESPONSIBILTIES

The Board of Directors of the Company will be responsible for:

- Approval of CSR Policy of the Company.
- Disclosing the content of the Policy in its report and place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Companies Act 2013 read with CSR Rules.
- Ensuring that the Company spends the required CSR obligation in activities covered within the ambit of Schedule VII of the Companies Act, 2013.
- Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the Policy.
- Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.
- Any other activity that may be required to effectively deliver the CSR programs of the Company.

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## 5. CSR BUDGET

- The Board of Company shall ensure that in each financial year, the Company spends at least 2% of the average net profit made during the immediate three preceding financial years.

- The unutilized CSR budget from the 2% of the average net profit will be parked in a CSR Fund (Corpus) created by the company. This Fund would also include any income arising there from and any surplus arising out of CSR activities.

- In case of any surplus arising out of CSR projects the same shall not form part of business profits of the Company.

- The Company may collaborate or pool resources with other companies (its subsidiary companies) to undertake CSR activities.

## 6. BUDGET MONITORING

The Company will monitor progress on CSR projects and CSR spend and report to the top management.

The Company will report CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.

## 7. LIMITATION, REVIEW AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Applicable Law, the provisions of the Applicable Law shall prevail over this Policy. Any subsequent amendment/modification to the Applicable Law shall automatically apply to this Policy.

The Board may review this Policy periodically and recommend amendments from time to time, as may be deemed necessary.

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