

# **VIJAY SOLVEX LIMITED**

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

**CSR POLICY AS RECOMMENDED BY CSR COMMITTEE AND APPROVED BY THE BOARD OF DIRECTOR OF "VIJAY SOLVEX LIMITED" ON 30.05.2014 AND FURTHER AMENDED ON 13.02.2021**

### **PERFACE**

In terms of the provisions of Section 135 of the Companies Act, 2013 (the Act) and The Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules), Vijay Solvex Limited (the Company) is required to frame a Corporate Social Responsibility Policy (CSR Policy). Accordingly, the Board of Directors (the Board) of the Company has approved and adopted this Policy.

### **VISION AND PHILOSOPHY**

The Company always seeks ways to make a positive impact on the society at large through various CSR activities. Environment, basic education, health, women empowerment and community development continues to remain the main pillars of the Company's CSR philosophy. The Company through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

The social and environmental responsibility has always been at the forefront of Company's operating philosophy and as a result, the Company consistently contributes to socially responsible activities. As a responsible corporate citizen, the Company always try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates.

Corporate Social Responsibility of Vijay Solvex Limited is broadly framed taking into account and our CSR activities are essentially guided by project based approach in line with the guidelines issued by the Ministry of Corporate Affairs of the Government of India.

## **CONSTITUTION OF CSR COMMITTEE**

Pursuant to the provisions of section 135 of the Act and CSR Rules, the Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee"), unless otherwise exempted under section 135(9) of the Act consisting of three or more directors, out of which at least one director shall be an independent director, to carry out activities as mandated under the Act and CSR Rules, including but not limited to the following:-

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the CSR activities;
3. Monitor the Policy of the company from time to time;
4. Monitor the implementation of framework of CSR Policy;
5. Formulated and recommend to the Board, an annual action plan in pursuance of CSR Policy;
6. Carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

## **CSR OBJECTIVES AND PROJECTS**

1. The Company will carry out / get implemented its CSR activities either directly or through the implementing agencies in accordance with the provisions of the Act and CSR Rules.
2. The Company will undertake its CSR Activities in the areas given in Schedule VII of the Act or in the areas as specified by Ministry of Corporate Affairs (MCA) through its rules or regulations, made thereunder or circulars / notifications issued by it, including any statutory modification for the time being in force.
3. The Company shall give preferences to the local areas and areas around it where it operates, for undertaking / implementing / executing for CSR Activities.

4. The CSR Committee shall will be entitled to include other projects / programmes / activities or any social development initiative as may be approved by the CSR Committee / Board which is in consonance with the Act read with Schedule VII read with this CSR Policy.

### **CSR ACTIVITIES**

The Company shall undertake and execute all or any of the following CSR activities ("CSR projects/ programmes"):

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (v) 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;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports

- (viii) Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;
- (ix) 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
- (x) 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).
- (xi) Rural development projects
- (xii) Slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- (xiii) Disaster management, including relief, rehabilitation and reconstruction activities.
- (xiv) Any other activities which will be introduced by the Ministry of Corporate, Securities and Exchange Board of India and any other Government Authority from time to time.

## **IDENTIFICATION OF CSR PROJECTS**

1. The CSR Committee shall recommend the activities for CSR along with estimated expenditure and phase wise implementation schedules.
2. The CSR Committee or any other person authorized in this behalf may engage any professional / firms / agencies, if so required, for the purpose of identification and / or implementation of CSR Projects.

## **IMPLEMENTATION OF CSR PROJECTS**

The Company shall implement the identified CSR projects by one or more of the following manners:-

1. The CSR projects will be implemented in a time bound manner with clear objects, plan, targets and robust monitoring and evaluation mechanism.
2. The Company shall not undertake such activities which are in normal course of business as CSR activities.
3. The Board of the Company may decide to undertake its CSR activities as recommended by the CSR Committee through:
  - (a) 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
  - (b) 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
  - (c) any entity established under an Act of Parliament or a State legislature; or
  - (d) 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.

Every entity, covered under point no. 3 of Implementation of CSR Projects, 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.

4. The Company may engage international organizations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.
5. The Company may use services of expert agencies, consultancy firms etc. wherever required for carrying out baseline surveys, guidance on project design and implementation, third party monitoring and evaluations, impact assessment surveys etc.
6. 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.

### **MONITORING AND REPORTING MECHANISM**

The Company shall institute a well-defined monitoring, evaluation and reporting framework that is aligned with the requirements of the Act and the CSR Rules, as amended from time to time.

The Board shall periodically review the CSR initiatives of the Company including amount spent thereon.

The CSR Committee will monitor the CSR Policy and among other agenda shall consider the following:

- Monitoring the utilization of funds towards approved CSR Activities.
- Define and review targets for the CSR commitments and performance.
- Evaluate actual CSR performance and impact such activities are making on the people, society and environment.
- Corrective measures to be taken to rectify deviations (if any).

The members of the CSR Committee may also undertake the following activities, whenever it deems necessary for effective discharge of its responsibilities:

- Field visits to Project / Programme sites; and

- Interaction with beneficiary communities to obtain feedback.

If the Company is having 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, it 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. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Further, the Company may book the expenditure related to impact assessment 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 or any amount which shall be approved by the MCA from time to time.

The Company shall disseminate the composition of CSR Committee, approved CSR Policy and CSR Projects to be undertaken by the Company on the Company's website. The Board's Report shall include an Annual Report on CSR Activities in the format as prescribed under the CSR Rules.

### **BUDGET AND FUND ALLOCATION**

1. A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.
2. The CSR Committee shall prepare a CSR Budget which may include:
  - a. Identified CSR Projects;
  - b. CSR expenditure;
  - c. Implementation Schedules.
3. Total expenditure in the CSR Budget shall be approved by the Board upon recommendation of the CSR Committee.
4. Any amount remaining unspent under Section 135(5) of the Act, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty 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.

5. Any amount remaining unspent under Section 135(5) of the Act, pursuant to other than ongoing project, shall be transferred by the Company to a fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year and the Board shall, in its report made under clause (o) of sub-section (3) of section 134 of the Act, specify the reasons for not spending the amount.
6. If the Company spends an amount in excess of the requirements provided under Section 135(5) of the Act, the Company may set off such excess amount against the requirement to spend for such number of succeeding financial years and in such manner, as may be prescribed under the Act and CSR Rules, as amended from time to time.

### **MANAGEMENT COMMITMENT**

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

### **REVIEW**

CSR Committee will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

### **INTERPRETATION**

Any ambiguities, interpretative issues, difficulties will be resolved by the Board of Directors of the Company in line with the broad intent of this CSR Policy read with the applicable provisions of the Act and CSR Rules.



## **AMENDMENT**

In the event of any conflict between the provisions of this CSR Policy and the Act or the CSR Rules or any other statutory enactments or rules, the provisions of the Act or CSR Rules shall prevail over this CSR Policy and the part(s) so repugnant shall be deemed to be severed from CSR Policy and rest of CSR Policy shall remain in force provided that any amendment / modification in the Act or CSR Rules shall automatically apply to this CSR Policy.

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