



# CORPORATE COMMUNICATION

KARAM SAFETY PVT. LTD. / PN INTERNATIONAL PVT. LTD / KARAM HOLDING PVT. LTD..

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Policy No. : 1001	Version No. : 00	Custodian : Karam CSR Committee
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## 1. Purpose

To lay down the guidelines and framework for effective implementation of CSR mechanism PN International Private Limited / Karam Safety Private Limited / Karam Holding Private Limited

To define areas for CSR initiatives in line with the Schedule VII of the Companies Act 2013 (“the Act”) as amended from time to time.

## 2. Scope

PNIPL / KSPL / KHPL is committed to work towards its vision of creating a more inclusive, safer and educated India. PNIPL / KSPL / KHPL understands and acknowledges its responsibility as a corporate citizen towards the society and the environment. Corporate Social Responsibility (“CSR”) at PNIPL / KSPL / KHPL is its commitment towards holistic growth. PNIPL / KSPL / KHPL believes that long-term sustainability can be achieved by meeting legitimate concerns of all stakeholders. PNIPL / KSPL / KHPL approach to sustainable development focuses on the triple bottom line of Economic, Environmental and Social performance. As a responsible corporate citizen, PNIPL / KSPL / KHPL is constantly engaged in delivering value to its stakeholders through its promise of giving back to the society, and to Mother Earth.

In accordance with provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Rules”) and other provisions of the Act, PNIPL / KSPL has constituted a Corporate Social Responsibility Committee (“CSR Committee”), and the CSR Committee / Board has formulated this policy called “Corporate Social Responsibility Policy” or “CSR Policy” and recommended the same for implementation in PNIPL / KSPL / KHPL (“Board”) for its consideration and approval.

This Policy outlines PNIPL / KSPL / KHPL’s philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially useful programs towards welfare and sustainable development of the community.

## 3. Responsibility

- Board of Directors (“Board”) of PNIPL / KSPL / KHPL.
- CSR Committee (as appointed under this policy, and duly approved by the Board of Directors)

## 4. Abbreviations & Definitions

The following are the commonly used short names and definitions in this Policy:

S.No.	Acronym	Full Form / Definitions
1	CSR	Corporate Social Responsibility
2	PNIPL	PN International Private Limited
3	KSPL	Karam Safety Private Limited
4	KHPL	Karam Holding Private Limited
5	BOD	Board of Directors

## 1001. Policy Statement

### 1001.1 Scope of CSR initiatives

1001.1.1 In general, the CSR activities of PNIPL / KSPL / KHPL shall focus on (without limitation) any or all of the sectors / activities as may be prescribed by Schedule VII of the Companies Act, 2013 from time to time. Further, PNIPL / KSPL / KHPL will review the sectors / activities once every year and make additions/ deletions/ clarifications to the below mentioned sectors / activities.

1001.1.2 The defined Sector for implementation of CSR activities by PNIPL / KSPL / KHPL are the Community clusters, villages, etc in an around the region of Lucknow, Uttar Pradesh as well as other areas mutually decided by the CSR committee from time to time.

### 1001.2 CSR Committee

#### 1001.2.1 Constitution:

1001.2.1.1 The Board of PNIPL / KSPL shall constitute a Corporate Social Responsibility Committee (“CSR Committee”) in compliance with Section 135 of the Act.

1001.2.1.2 The CSR Committee shall constitute of such number of members as the board may decide from time to time, however, at all times there shall be at least 2 (two) Directors who shall serve as the Members of the CSR Committee.

1001.2.1.3 Accordingly, the constitution of CSR Committee formed by PNIPL / KSPL is as follows:

S.No.	Name of the Member	Designation in committee	Designation
1	Ms Kavita Nigam	Chairperson	CHRO (Director)
2	Ms Sunita Sapra	Member	COO (Director)
3	Ms Ankita Sapra	Member	Corporate Executive-Legal (Director)
4	Mr Gopal Krishan Arora	Permanent Invitee	CFO
5	Mr. Om Dutt Thakur	Permanent Invitee	DGM-Finance & Accounts
6	Mr. Deepak Kohli	Permanent Invitee	Sr. Manager-Legal & Compliance
7	Ms. Ankita Srivastava	Permanent Invitee	Lead-HRD
8.	Ms. Kumari Anugaya	Permanent Invitee	Company Secretary (KSPL)

PNIPL / KSPL / KHPL will publish the composition of CSR Committee on Karam website.

#### 1001.2.2 Functions and Powers of the Committee / Board<sup>1</sup>

To effectively implement the objectives of PNIPL / KSPL / KHPL with respect to CSR, the Committee / Board is vested with the following functions and powers:

<sup>1</sup> In case of KHPL.

- 1001.2.2.1 Formulate CSR Policy and recommend the same to the Board of PNIPL / KSPL / KHPL for approval.
- 1001.2.2.2 Recommend CSR activities as stated under Schedule VII of the Act.
- 1001.2.2.3 Approve to undertake CSR activities, if necessary, in collaboration with Companies of the PNIPL / KSPL / KHPL Group/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules.
- 1001.2.2.4 Recommend the CSR Budget.
- 1001.2.2.5 Recommend the modalities of utilization of funds and implementation schedules for the projects or programmes.
- 1001.2.2.6 Assess details of need and impact assessment, if any, for the projects undertaken by the company.
- 1001.2.2.7 Spend the allocated CSR amount on the CSR activities once it is approved by the Board of the Company in accordance with the Act and the CSR Rules.
- 1001.2.2.8 Create transparent monitoring mechanism for implementation of CSR initiatives in India;
- 1001.2.2.9 Submit the Reports to the Board in respect of the CSR activities undertaken by PNIPL / KSPL / KHPL.
- 1001.2.2.10 Monitor CSR Policy from time to time.
- 1001.2.2.11 Monitor activities/charter of Internal Working Team who are authorized to ensure that the CSR activities of PNIPL / KSPL / KHPL are implemented effectively.
- 1001.2.2.12 Authorize executives of the Company to attend the CSR Committee Meetings, if necessary.
- 1001.2.2.13 Recommend to alter/ change CSR plans to the Board at any time during the Financial year, if necessary.

#### **1001.2.3 Meetings of the CSR Committee**

For smooth functioning of the CSR Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary:

- 1001.2.3.1 The CSR Committee meet atleast twice during a Financial Year.
- 1001.2.3.2 The members of the CSR Committee may mutually agree between them regarding time and place for the said meetings, or may meet on a virtual platform.
- 1001.2.3.3 The quorum for the CSR Committee Meeting shall be two-third of its total strength (any fraction contained in that two-third be rounded off as one) or two members, whichever is higher.
- 1001.2.3.4 The Members of the CSR Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

#### **1001.2.4 Minutes of the Meeting of the CSR Committee**

The minutes of the Meeting of CSR Committee shall be shared with the Board and the same should be presented before the Board in the consequent Board Meeting.

### 1001.3 CSR Activities

1001.3.1 This Policy covers CSR activities to be undertaken by PNIPL / KSPL / KHPL and examining their alignment with Schedule VII of the Act as amended from time. PNIPL / KSPL / KHPL proposes to implement its CSR activities in any or all the various sectors stated hereunder and as more specifically stated in the Annual CSR Plan :

1001.3.1.1 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.

1001.3.1.2 Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

1001.3.1.3 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.

1001.3.1.4 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

1001.3.1.5 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;

1001.3.1.6 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 widow;

1001.3.1.7 Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports.

1001.3.1.8 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;

1001.3.1.9 (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;

- (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 Organization (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)

1001.3.1.10 Rural development projects

1001.3.1.11 Slum area development.

1001.3.1.12 Disaster management, including relief, rehabilitation and reconstruction activities

1001.3.2 The following activities shall not be included in CSR activities:

1	Normal Course of Business	Activities which are undertaken in pursuance of the normal course of business of the company.
2	Outside India Activity	Any activity is undertaken by the company outside India
3	Political contribution	Contribution of any amount directly or indirectly to any political party under section 182 of the Act.
4	Benefit of Employee	Activities that significantly benefit the employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019)
5	The benefit to its product	Activities supported by the companies on a sponsorship basis for deriving marketing benefits for its products or services
6	Other obligation in Law	Activities carried out for the fulfillment of any other statutory obligations under any law in force in India
7	Off Events	One-off Events such as marathons / awards / charitable contribution / advertisement / sponsorship of TV programs etc.

1001.3.3 The CSR Committee / Board may review the abovementioned areas/sectors and the activities from time to time and make additions/deletions / alterations.

1001.3.4 The CSR Activities shall be undertaken by PNIPL / KSPL / KHPL as projects, programs or activities excluding activities undertaken in pursuance of the normal course of the business of PNIPL / KSPL / KHPL.

1001.3.5 The CSR projects or programs or activities that benefit only the employees of PNIPL / KSPL / KHPL and their families, and contribution of any amount (directly or indirectly) to any political party, shall not be considered as CSR activities under this CSR Policy.

1001.3.6 Ongoing Project: This shall mean a multi-year project having timelines not exceeding three years excluding the financial year in which it was commenced.

1001.3.6.1 Project that was initially not approved as a multi-year project can be made ongoing by extending the duration beyond one year by the board based on reasonable justice.

1001.3.6.2 CSR Project's duration shall not be more than (3+1) years.

**1001.4 CSR activities implementation sharing the document through teams**

1001.4.1 The Board shall ensure that companies undertake CSR Activities either itself or through:

1001.4.1.1 a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or

1001.4.1.2 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

1001.4.1.3 any entity established under an Act of Parliament or a State legislature; or

1001.4.1.4 a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities..

1001.4.2 PNIPL / KSPL / KHPL may also conduct its CSR Activities under its brand/foundation 'KOSHISH'.

1001.4.3 The List of NGOs shall be approved by the Board of Directors from time to time.

**1001.5 Mandatory requirement from the Implementing Agency / NGO**

a. Compliance / Documentation required for qualifying the NGO for Onboarding:

The Implementing Agency/ NGO is required to furnish the following documents before they are considered eligible for implementing the CSR activities on behalf of KARAM:

- Certified copy of Form CSR-1, payment challan and acknowledgment from MCA alongwith unique CSR registration number;
- Certified copy of following documents :
  - Incorporation Certificate alongwith MOA & AOA of Section 8 Company;
  - Registered Trust Deed of Public Trust ;
  - Certificate of Incorporation of Society and by laws of registered society;
  - Registration under Section 12A and 80G of the Income Tax Act;
  - Registration under an Act of Parliament or State Legislature;
  - Certificate of established track record of 3 Years in undertaking similar activities and
  - Copy of PAN card, cancel cheque, audited financials of last 3 years of Implementing Agencies

b. Compliance required during the period of Implementation and accepting the Funds:

- a. Identification of Projects: The Committee shall carefully scrutinise the Projects which the NGO proposes- whether they are one-time activities or are defined Long-Term Projects with a time-line of not more than 3+1 years. The Long Term Projects may be renewed by the Committee when properly analysed for their effectiveness.
- b. Defining a Milestones for execution of the Projects: The NGO shall present a proper Milestone chart for the execution of the Project, along with their requirement of the Funds to meet their required goals.
- c. Execution of CSR Agreements with NGO: The Committee shall sign an agreement with the NGO / Implementing agency as approved by the Legal Department.



- d. The NGO shall follow timely submission to the Committee / Board, utilization certificate, proof of utilization and relevant purchase invoices based on the milestones set. The periodicity of this submission shall be defined in the Agreement signed.
- e. The Committee / Board shall ensure milestone based payments by KARAM to the NGO.
- f. The NGO/ Implementing Agency shall submit the final utilization certificate, proof of utilization and relevant purchase invoices by 20th April and verification by Finance Dept. on or before 28th April for the concluding financial year.
- g. Post utilization of 80% - 90% funds, next trench of payment will be issued to the NGO.

**1001.6 Guiding principles for the selection, implementation and monitoring of the activities and formulation of the Annual CSR Plan (CSR Committee Working Guidelines)**

- 1001.6.1 The CSR Initiatives or Activities shall be selected keeping in mind the spirit of this CSR Policy and the CSR Framework under the Companies Act, as amended from time to time. The details of the same shall be defined in the CSR Committee Working Guidelines.
- 1001.6.2 The CSR Initiatives or Activities selected shall be beneficial for the community and the relevant stakeholders identified by the CSR Committee.
- 1001.6.3 The CSR Initiatives or Activities shall not be used as a tool for marketing or promotion of the business of PNIPL / KSPL / KHPL.
- 1001.6.4 The Initiatives or Activities shall be defined under the Annual CSR Plan.
- 1001.6.5 The Annual CSR Plan shall be regularly monitored and the board shall be kept informed of its effectiveness with complete accountability and traceability.

**1001.7 Annual CSR Plan**

- 1001.7.1 The CSR Committee shall prepare and present to the Board the Annual CSR Plan at the beginning of each financial year which shall highlight and define the CSR activities that would be carried out in the financial year.
- 1001.7.2 Considering the activities listed in Schedule VII as a broad indicator, and also in accordance with Objectives of PNIPL / KSPL / KHPL. CSR Policy, the Annual Plan shall outline the Focus Areas of Intervention
- 1001.7.3 The Annual CSR plan shall outline the following aspects of CSR initiatives of PNIPL / KSPL / KHPL:
  - 1001.7.3.1 Focus Areas of Intervention and Project Proposals
  - 1001.7.3.2 Targeted Beneficiaries and their key needs
  - 1001.7.3.3 Alignment with Schedule VII
  - 1001.7.3.4 Project Goals and milestones
  - 1001.7.3.5 Activities and Timelines including expected closure dates
  - 1001.7.3.6 CSR Budget with projections
  - 1001.7.3.7 Monitoring mechanism
  - 1001.7.3.8 Progress reporting and frequency of reports
  - 1001.7.3.9 Risks and mitigation strategies
  - 1001.7.3.10 The Collaborations with any Company whether of Karam Group or otherwise, or any NGO, in Collaboration or through which the CSR Committee shall carry out the CSR activities.

1001.7.3.11 The details of the Internal Working Team as constituted by the CSR Committee.

1001.7.3.12 Any other information as may be required by the CSR Committee.

1001.7.4 The CSR Committee shall share Annual CSR Plan with Board within 10 days of the first meeting of the CSR Committee in the particular Financial Year.

1001.7.5 The Annual CSR plan shall be published on the website of PNIPL / KSPL / KHPL.

1001.7.6 The Board is authorized to approve any modification to the existing Annual CSR Plan.

#### **1001.8 Funds for CSR Activities and Projects**

1001.8.1 The CSR Budget shall be formed by the CSR committee in compliance with Section 135 of the Act and presented to the Board for approval.

1001.8.2 The funds allotted as per the approved CSR budget shall be utilised by the CSR committee in carrying out the CSR Activities.

1001.8.3 The guidelines for consideration of proposals and allotment of funds for CSR projects & activities are detailed in Annexure-I.

1001.8.4 If the allocated budget/funds are not utilized/spend in the particular financial year, it is the duty of the CSR Committee to submit a report in writing to the Board specifying the reasons for not spending the amount, which in turn shall be reported by the Board in their Annual Report pertaining to that particular Financial Year along with Annual Report and transfer the unspent amount in "Unspent CSR Account" as per section 135(6) of the Act. Surplus, if any, arising out of the CSR projects or programs or activities shall not form part of the business profit of the PNIPL / KSPL / KHPL.

#### **1001.9 Implementation Mechanism**

1001.9.1 An Internal Working Team shall be constituted by the CSR Committee to ensure implementation and monitoring of the projects approved by the CSR Committee from time to time.

1001.9.2 The committee will constitute the Internal Working Team in its first meeting of the Financial Year based on the Annual CSR plan and share the same with the Board.

1001.9.3 Reporting by Internal Working Team

1001.9.3.1 The Internal Working Team will ensure implementation of the CSR activities as per the annual CSR plan and submit periodical reports to the CSR Committee for all CSR projects undertaken.

1001.9.3.2 The Internal Working Team shall submit quarterly reports to the CSR Committee on the progress of the various projects approved by the CSR Committee.

#### **1001.10 Reporting and Publications of CSR Policy**

1001.10.1 PNIPL / KSPL / KHPL will report, in the prescribed format as set out herein as Annexure II, the details of the CSR initiatives and activities of PNIPL / KSPL / KHPL in the Board Report, as required under the CSR Regulations. Annual Report on CSR shall be annexed to the Board report of the company covered under these rules.

**1001.10.2 CSR Impact Assessment:**

- 1001.10.2.1 If the average CSR obligation for PNIPL / KSPL / KHPL is Rs 10 Crore or more in the 3 immediately preceding years, then the Impact Assessment of the CSR projects shall be undertaken through an independent agency of those CSR projects having outlays of INR 1 crore or more, and which have been completed not less than 1 year before undertaking the impact study.
- 1001.10.2.2 The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- 1001.10.2.3 The administrative expenses for undertaking impact assessment through external agency shall be booked towards CSR for that financial year, which shall not exceed 2% of the total CSR expenditure for that F.Y., or 50 lakh rupees, whichever is higher.

1001.10.3 Display of CSR activities on its website: The Board shall ensure mandatorily disclosure of the following on the website www.karam.in in the following:

- 1001.10.3.1 The composition of the CSR Committee;
- 1001.10.3.2 Projects approved by the Board; and
- 1001.10.3.3 CSR policy.

**1001.11 Monitoring of CSR Activities**

The administration of the CSR Policy of the Company and the execution of identified CSR projects, programs and activities under it shall be carried out under the control and overall supervision of the PNIPL / KSPL / KHPL-CSR Working Team, when the Project is executed by the selected NGO.

However, if the Project is directly undertaken by the Working Team, the Committee will identify a separate Monitoring Group in its first meeting of the Financial Year and share the same with Board of the company. (Ref to CSR Committee Working Guidelines)

PNIPL / KSPL / KHPL -CSR Internal Working Team/ Monitoring Group shall submit its report once in six months to the CSR Committee formed under the Act, which shall monitor the CSR policy of the Company from time to time.

The monitoring strategy shall be as below:-

- 1001.11.1 Determination of the monitoring schedule for each project based on the approved project proposal.
- 1001.11.2 All relevant progress reports of the project shall be obtained for study and gap analysis.
- 1001.11.3 Identification of measures for impact assessment, if any.
- 1001.11.4 Discussions meetings with the implementation team to be convened for identification of reasons for slippages (if any) and agreeing on a corrective action.

**1001.12 CSR Expenditure**

- 1001.12.1 Section 135 of the Companies Act, 2013 prescribes that the company shall spend the 2% of the average net profit of the last 3 financial years or last financial year (in absence of 3 years).
- 1001.12.2 The board shall ensure that the Administrative overheads shall not exceed 5% of total CSR expenditure of the company for the Financial Year.
- 1001.12.3 Transfer of unspent CSR amount to Fund specified by the Govt.:
- 1001.12.4 In case the company fails to spend the full CSR outlay for any financial year or any amount remained to be spent during the year:

- the surplus arising out of CSR activities shall not form part of the business profit and it 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
- such surplus amount shall be transferred to a Fund specified in Schedule VII within a period of 6 months of the expiry of the financial year.

#### 1001.12.5 Set off of Expenses Expenditure of CSR:

Any surplus CSR expenditure may be set off against CSR obligations provided under subsection (5) of section 135 for the immediate succeeding three financial years, which is the defined time frame for an “ongoing project”, subject to the conditions that;

1001.12.5.1 the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of rule 7 (Unspent CSR amount).

1001.12.5.2 the Board shall pass a resolution to that effect.

#### 1001.12.6 CSR on Creation / acquisition of asset:

The CSR amount may be spent for creation or acquisition of a capital asset, which shall be held by:

1001.12.6.1 company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or

1001.12.6.2 beneficiaries of the said CSR project, in the form of self – help groups, collectives, entities; or

1001.12.6.3 a public authority.

### 1001.13 Certification by CFO

It is the responsibility of the Board of the Company to monitor the implementation of ongoing projects and to satisfy itself that the funds of CSR have been utilized for the approved purposes and the Chief Financial Officer (CFO) shall certify to the effect.

### 1001.14 Audit

PNIPL / KSPL / KHPL, at its sole discretion, shall undertake social audit of projects implemented under its CSR programme through an independent agency after 2-3 years of completion of the project so as to assess the effect of CSR intervention.

### 1001.15 General

1001.15.1 If it is observed that any CSR activity taken up for implementation is found not properly implemented, the CSR Committee may, at its discretion, discontinue funding the project at any time during the course of implementation.

1001.15.2 The Board on its own and /or as per the recommendations of the CSR Committee can amend or modify this CSR Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the applicable laws / regulations on the subject as may be issued by the relevant statutory authorities, from time to time.

## **ANNEXURE-I**

### **BROAD GUIDELINES FOR CONSIDERATION OF PROPOSALS AND ALLOTMENT OF FUNDS FOR CSR PROJECTS AND ACTIVITIES**

1. Individual proposals have to be within the framework of the CSR Policy.
2. Identification of projects and the executing agency will be made, inter-alia, by assessing the following – activities to be undertaken, time frame, financial requirement, organizational responsibilities, outcome / expected results and sustainable aspects. The CSR official will evaluate the proposals and give its recommendations to the CSR Committee. The releasing of funds in phased manner shall be clearly defined in the proposal to ensure proper utilization and submission of periodical progress reports before release of installments.
3. The proposals or projects or activities identified by the Company which are within the purview of CSR Policy may be executed through Independent Implementation Partner as considered appropriate by the CSR Committee. However, such projects submitted by Independent Implementation Partner shall be approved only after verification of their credentials, capability and preparedness to work in the specified locations.
4. The allotment of funds for the CSR initiatives shall be in compliance with Section 135 of the Act and any other law governing the subject for the time being in force.

## ANNEXURE II

### FORMAT FOR THE ANNUAL REPORT ON CSR TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the PNIPL / KSPL / KHPL's CSR policy
2. The Composition of the CSR Committee.

S.No.	Name of the Director	Designation. Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of CSR Committee attended during the year

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.
5. (a) Average net profit of the company as per sub-section (5) of section 135.
  - (b) Two percent of average net profit of the company as per sub-section (5) of section 135.
  - (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.
  - (d) Amount required to be set-off for the financial year, if any.
  - (e) Total CSR obligation for the financial year [(b)+(c)-(d)].
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).
  - (b) Amount spent in Administrative Overheads.
  - (c) Amount spent on Impact Assessment, if applicable.
  - (d) Total amount spent for the Financial Year [(a)+(b)+(c)].
  - (e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer

(f) Excess amount for set-off, if any:

S.No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY-1							
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes / No  
If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

S.No.	Short particulars of the property or asset (s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

For \_\_\_\_\_.

Director

Chairman of the Committee



## POLICY HISTORY

Revision No.	Revision Date	Details of Revision	Reason of Revision	Remarks