



CORPORATE SOCIAL RESPONSIBILITY POLICY

ANJANI PORTLAND CEMENT LIMITED

Approved and adopted by the Board on May 25, 2021

I. PREAMBLE

Anjani Portland Cement Limited (hereafter referred to as “The Company” or “APCL”) has built its organizational structure on a very strong pedestal of infrastructure, technology, and strong social commitment. The Company has in the past made donations in kind towards construction of houses for the under privileged. It has invested towards construction of schools and also towards development of villages.

The Companies Act, 2013 in effect gives an impetus to the efforts of the Company in this direction; by allowing it to set up a formal framework for such activities, and allotting an exclusive budget for the fulfilment of corporate social responsibilities.

This corporate social responsibility (“CSR”) policy document sets out the framework under which the Company should carry out its CSR activities.

II. DEFINITIONS

1. Act means The Companies Act, 2013;
2. Administrative Overheads means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
3. “Board” means the Board of Directors of the Company;
4. "Corporate Social Responsibility (CSR)" means activities undertaken by the Company pursuant to its statutory obligation and shall not include the expenses as laid down in the Act and Rules as amended from time to time respectively;
5. “CSR Committee” means the CSR Committee of the Company constituted in accordance with Section 135 of the Act;
6. “CSR Policy” or “Policy” shall means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
7. “CSR Programme” shall have the meaning specified under Paragraph VII.
8. “Rules” shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time;

9. "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.
10. "Net Profit" means the net profit ascribed and calculated under the Companies Act, 2013 and CSR Rules duly amended from time to time;
11. "Organisations" means Company established under section 8 of the Act or a registered trust or a registered society or registered under section 12A and 80 G of Income Tax Act, or established by the Central Government or State Government, or under an Act of Parliament or a State legislature respectively, and having an established track record of at least three years in undertaking similar activities;

Words and expressions used in this Policy, but not defined herein shall have the same meaning as specified under the Companies Act, 2013 and the Rules thereunder.

III. OBJECTIVES

The CSR Policy seeks to carry out the following objectives:

- (a) To specify the broad scope of CSR activities of the Company;
- (b) To stipulate the framework under which the CSR Programme of the Company will be formulated and executed;
- (c) To establish systems and processes for monitoring implementation of the CSR Programme;
- (d) To ensure compliance with the provisions of Section 135 of the Act and the Rules made thereunder, and fulfil the provisions of law in letter and spirit.

IV. CSR COMMITTEE COMPOSITION

A Committee of Board of Directors has been formed in pursuance of Section 135 of the Companies Act, 2013. CSR Committee comprises of three directors as members, and one director being independent.

V. RESPONSIBILITIES OF THE CSR COMMITTEE

The Responsibilities of the CSR Committee includes;

- a) Formulating and recommending to the Board of Directors the CSR Policy and the activities to be undertaken.

- b) Formulating and recommending to the Board of Directors an Annual Action Plan in pursuance of the CSR Policy, including list of CSR projects or programs that are approved as specified in Schedule VII duly amended from time to time and placing before the Board for its approval.
- c) To determine and recommend the CSR amount for expenditure on the activities referred to in clause (b) to the Board for particular financial year.
- d) Determine the manner of execution of project, modalities for utilization of the funds, monitoring of project / activities and impact assessment, if any, to be undertaken.

VI. SCOPE OF CSR ACTIVITIES

The Company may carry out any project, program or activity in the areas specified under Schedule VII of the Act as on date, or as may be specified from time to time.

VII. ANNUAL CSR PROGRAMME

- a. The CSR Committee shall prepare an indicative programme of CSR projects / activities (“CSR Programme”) to be carried out by the Company during each financial year. The CSR Programme may *inter alia* specify the projects or programs which the company plans to undertake, modalities for execution, implementation schedule, monitoring and reporting systems etc., as required, with respect to the CSR projects to be implemented by the Company.
- b. The CSR Programme shall be approved by the Board of Directors of the Company. Such programme shall upon approval be deemed to constitute a part and parcel of the CSR Policy of the Company.
- c. The Board of Directors may, in consultation with the CSR Committee approve any CSR expenditure or expend the CSR Budget on any project / activity, which is part of the CSR Programme on case to case basis

VIII. BUDGET FOR CSR ACTIVITIES

The Company shall in each financial year, allocate funds amounting to at least 2% of the average net profits of the Company made during the three immediately preceding financial years, for purposes of carrying out the programs and activities under the CSR Policy. Provided that the minimum limits aforesaid would not apply, if the Company is not required to comply with the provisions of Section 135 of the Act / Rules thereunder for any reason.

Surplus, if any, arising from CSR projects or programmes or activities shall not form part of the business profits of the Company, but shall be added to the CSR budget of the Company.

IX. IMPLEMENTATION OF CSR POLICY

- a. The Company may undertake its CSR activities either by itself, or through a registered trust or a registered society or a Section 8 company established by the company itself as specified under the Rules. The Company shall ensure that the registered trust or a registered society or a Section 8 company shall file Form CSR-1 with the Registrar of Companies and get unique registration number w.e.f. 01.04.2021 before accepting the project / activities as per Schedule VII.
- b. The Company may collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR Committee of the respective companies are in a position to report separately on such projects or programmes in accordance with the Rules.

X. REVIEW AND REPORTING

- a. The CSR Committee shall set in place a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- b. The CSR Committee will review the activities carried out under the CSR Policy and prepare a progress report on periodical basis. The report shall be placed before the Board of the Directors of the Company for their review and information.
- c. The report of the CSR activities of the Company shall be included in the Board's Report under Section 134 of the Act.

XI. PROJECTS / ANNUAL ACTION PLAN

All CSR initiatives/projects/programs/activities shall continue to fall under the purview of schedule VII of the Act as attached to this policy in "Annexure – I" as amended from time to time. Further, CSR Committee will prepare Annual Action Plan for particular financial year with respect to the project identification based on the area as per Schedule VII for which the Company shall spend the CSR Corpus. The Annual Action Plan shall be recommended to the Board of Directors for approval and noting by CSR committee in its respective meeting. The list of CSR activities to be placed on the website for public access.

XII. AMENDMENTS TO CSR POLICY

The Board may alter all or any of the provisions of the CSR Policy in accordance with the extant law in force in India and recommend the same to the Board for its approval.

**Selection of CSR initiatives/projects/Annual Action Plan: Focus Areas on Schedule VII
of the Companies Act, 2013**

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
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, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
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 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.
9. Contributions of funds to technology incubators located within academic institutions which are approved by Central Government or State Government.
10. Rural development projects, Slum area development, etc.
11. Disaster management, including relief, rehabilitation and reconstruction activities.
12. And any other matter as per Schedule VII of Companies Act 2013 duly amended from time to time.