

## **CORPORATE SOCIAL RESPONSIBILITY CHARTER**

Comed Chemicals Limited (“the Company”) is an unlisted Public Company incorporated under the Companies Act, 1956. Section 135 Schedule VII of The Companies Act, 2013 mandates the Company to establish a mechanism called Corporate Social Responsibility Policy.

### **I. Objective:**

**“Goodness is the only investment that never fails.”**

This Corporate Social Responsibility Policy (“the CSR Policy”) has been framed by Comed Chemicals Limited (“CCL”) in accordance with Section 135, Schedule VII of The Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 issued by the Ministry of Corporate Affairs as amended from time to time.

The Company is committed not just to profits, but also towards leaving a deeper imprint on the society as a whole. We understand that there is a need to strike a balance between the overall objectives of achieving corporate excellence and the company’s responsibilities towards the community; we wholeheartedly contribute towards being a part of societal change. Corporate responsibility is an embedded value at CCL.

### **II. Company Philosophy for CSR Policy:**

The Companies Act, 2013 has formally introduced the Corporate Social Responsibility to the dash board of the Indian Companies and the concept of Corporate Social Responsibility (CSR) is not a new concept to the Company. Comed Chemicals Limited has been proactively contributing towards welfare of the society for years together. The Company has widely contributed, focusing on two major areas as dedicated to sports and healthcare as its priority projects.

The management of CCL expresses its willingness and support to the CSR concept, its legal framework and shall be abided to it in letter and spirit.

### **III. Implementation:**

- The Board of Directors has constituted a Corporate Social Responsibility Committee (CSR Committee) with majority of its members as Independent Directors of the Company.
- The Committee shall identify projects for conduct of CSR and recommend to the Board from time to time.
- The projects shall be undertaken through Trust or an NGO or in collaboration to any other Company formulated for the purpose of charity or may invite such outside consultant or any other person as may deem fit for the purpose of CSR activities.
- The Committee shall recommend to the Board, at the beginning of the Financial Year, the estimated budgeted amount to be spent on the CSR activities for the Financial Year.
- The Committee shall spend the allocated amount on CSR activities once approved by the Board of Directors and create a transparent monitoring mechanism of CSR initiatives.

### **IV. Composition of the Committee:**

CSR Committee consists of following Directors and Officers of the Company:

1. Subhashchander Desraj Bhatia- **Chairman**
2. Mohan Jeet Singh Syali - **Member**
3. Jaswinder Singh Sethi - **Member**

Board of Directors of the Company may re-constitute the Committee, as and when required to do so, by following the sections, sub-sections, rules, regulations, notifications issued or to be issued, from time to time, by the Ministry of Corporate Affairs or the Central Government of India.

The Committee shall exercise powers and perform the functions assigned to it by the Board of Directors of the Company pursuant to section 135 of The Companies Act, 2013 and CSR Rules notified with regards thereto.

### **V. CSR Activities:**

Pursuant to Schedule VII of The Companies Act, 2013, the Committee has approved the following activities as “CSR Activities” to be undertaken under the CSR policy of the Company. The Board of Directors has reviewed the said activities and express its consent to the Committee to pursue the said activities under CSR policy of the Company under section 135 of The Companies Act, 2013, Schedule VII and other applicable rules, regulations, notifications etc., issued/to be issued from time to time.

While deciding on the CSR activities, priority shall be given to the needs and requirements of communities or area in the vicinity of the manufacturing facilities of the Company.

#### **VI. Approved CSR Activities:**

1. Promoting preventive healthcare and sanitation to the public (Eradicating hunger, poverty and malnutrition and making available safe drinking water);
2. Promoting education, including primary, secondary and higher secondary education, as well as special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. Promoting gender equality and empowerment of 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. Contribution to the Prime Minister's National Relief Fund;
5. Promoting sporting activities by training to rural sports, nationally recognised sports, Paralympics sports and Olympic sports.

#### **VII. Budget for CSR Activity & CSR Expenses:**

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of The Companies Act, 2013, for the CSR activities for any financial year.

The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programmes relating to CSR activities approved by the Board on the recommendation of its CSR Committee.

#### **VIII. Identification of activities/projects:**

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Committee shall analyse the basic need of the community/ area in which the Organisation

operates or at the place where its registered office is situated. The Committee shall record its findings and prioritise the CSR activities.

#### **IX. Implementation process:**

After prioritizing the activity the Committee shall finalise the detailed implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

#### **X. Monitoring by the Board:**

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

#### **XI. Compliance and Reporting to Board:**

The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from reporting to the Board about the implementation of CSR activity, a detailed report containing the implementation schedule, total budget allocated, actual expenses incurred, surplus arising, if any, result achieved, further work to be done in the concerned CSR activity, Recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration.

Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profits of the Company.

#### **XII. 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.

Our Corporate Social Responsibility policy confirms to the relevant section of the Corporate Social Responsibility, Rules made under The Companies Act, 2013 and amendment(s) to be made thereto in future.

The Company is contributing to sustainable development by its economic activities combined with the fulfilment of its social responsibilities towards the society.

**XIII. Information Dissemination:**

The Company's engagement in this domain is disseminated in annual report of the Company for respective financial years. The Company will follow this law in true letter and spirit.

**\*\*\* End of Policy\*\*\***