



CSR POLICY - SUJAY IRRIGATIONS PRIVATE LIMITED

In pursuant to the Companies (Corporate Social Responsibility Policy) Rules,
2014 read with Section 135 of the Companies Act, 2013.



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1. CONCEPT:

a. **Short title & Applicability**

- i. In pursuance to the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Section 135 of the Companies Act, 2013, Board of Directors of the Company have framed a policy which encompasses the Company's philosophy and defines its responsibility as a corporate citizen and lays down the guidelines and mechanism for promotion of general welfare of the society by contributing immensely towards fulfillment of social, environmental and economic responsibilities in consonance with the objects mentioned in Schedule VII of the Companies Act, 2013.
- ii. The guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the 'SUJAY IRRIGATIONS CSR'.
- iii. This policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons in consonance with the objects mentioned in the Schedule VII of the Companies Act, 2013.

b. **CSR Vision Statement:**

In alignment with vision of the Company, SUJAY IRRIGATIONS PRIVATE LIMITED, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, and provide shelter and education to the needy, eradication of illiteracy and poverty through its services and setting up RO water plants to provide safe drinking water and thereby promote sustained growth of the society and community, with environmental concern, in fulfilment of its role as a socially responsible corporate.

c. The objectives of the SUJAY IRRIGATIONS CSR Policy are -

- i. To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- ii. To directly or indirectly take up activities, projects and programmes that benefit the communities in and around its work centres, which comprise the weaker section of rural and tribal India with no access to basic amenities, which would result over a period of time in enhancing the quality of life and economic well-being of the local populace.
- iii. To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive image of the Company as a socially responsible corporate entity.

d. CSR Projects /Programme's:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- 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;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, 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;
- 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 arts and handicrafts;

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- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects;
- Slum Area Development; and
- disaster management, including relief, rehabilitation and reconstruction activities

The CSR activities shall be undertaken within the territory of the Republic of India.

3. **PLANNING:**

a. **CSR Committee**

A CSR Committee of the Company shall be formed subject to necessary requirement under the Companies (Corporate Social Responsibility) Amendment Rules, 2021 notified on 22nd January 2021 being fulfilled by the Company. Until then the role and responsibilities of the CSR Committee shall be discharged by the Board of Directors ("the Board") of the Company.

The CSR Committee of the Company shall comprise of three or more Directors of the Company.

- i. The CSR Policy and programs shall be implemented, managed and supervised by the CSR Committee appointed by the Board of Directors of the Company ("CSR Committee").
- ii. The CSR Committee shall at all times comprise of such number of Directors as is mandatorily required by applicable laws.

b. Role and Responsibilities of the Board:

The role and responsibilities of the Board till the formulation of a CSR Committee:

- i. Formulate a CSR Policy of the Company and indicate the projects, programs and activities to be undertaken by the Company. CSR works being focussed in the areas adjoining the Company, the programmes identified should normally fall within the local area and areas around it where it operates;
- ii. Decide the CSR projects, programs and activities to be undertaken by the Company, either directly or through registered trust, or registered society, or a Company established by the Company or its holding or subsidiary or associate company under Section 8 of the Companies Act, 2013, which registered trust, registered society, or section 8 Company shall have an established track record of 3 years in undertaking CSR activities, projects and programs by the way of;
 - Internal assessment by cross-functional team at the local level to identify the program.
 - Receipt of proposals/requests from local, Govt. Etc., on its requirement.
 - Discussions and request with local representatives/Civic bodies/Corporations and Citizen's forums.
- iii. The Board shall approve the CSR activities, projects, programs proposed to be undertaken by the Company in each financial year, along with the proposed expenditure in respect of each activity, project and program for the said financial year;
- iv. Oversee the progress of the CSR activities, projects and programs rolled out under the said Policy on a quarterly basis;
- v. Define and monitor the budgets for the carrying out the CSR activities, projects and programs;
- vi. Determine the amount of expenditure for each CSR activity, project and program and recommend the same to the Board;
- vii. Preparation of a Report on quarterly basis of all CSR Activities undertaken by the Company during the financial year;
- viii. Implement, monitor and review the CSR Policy of the Company.

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As per the Board, the following are the activities that the Company to undertake through registered trust or through any other registered trust or by any other means, which are in accordance with the Schedule VII of the Companies Act, 2013.

- i. Setting up RO Water Plant to provide safe drinking water
 - ii. Providing Education to Rural Children
 - iii. Providing Nutrition Food to School Children
 - iv. Rural development projects; and
 - v. Slum Area Development
- c. **Project based approach:** The Company will follow a project based accountability approach to stress on the long term sustainability of CSR projects, where its action plan will be distinguished as 'Short-term', ' Middle-Term & Long Term; qualified as
- Short Term - 6 months to 1 year;
 - Long Term - 1 year and above and up to 3 years.

2. **FINANCIAL OUTLAY FOR CSR ACTIVITIES:**

a. Corpus & Allocation of Funds

For achieving **SUJAY IRRIGATIONS CSR** objectives through implementation of the meaningful & sustainable CSR programmes, through a registered Trust or by any other means as defined under the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Section 135 of the Companies Act, 2013 and the Company will allocate at least **two percent** of the average net profits of the Company made during the three immediately preceding financial years as its Annual CSR Budget.

From the annual CSR Budget allocation, a provision will be made towards the different expenditure heads, on a year on year basis as mentioned in the policy.

b. Overall Budget distribution for CSR

Allocation of the Annual Budget for CSR activities in any given year, will not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years the CSR allocation for the previous year.

Any unspent/unutilised CSR allocation of a particular year, will be carried forward to the following year, i.e., the CSR budget will be not lapsable in nature.

4. IMPLEMENTATION:

- For effective implementation, long-term CSR plans will be broken down into one or more short-term plans. Further, the CSR activities planned to be undertaken for each year shall be defined along with the budget required for the same, the responsibilities of the designated authorities to be engaged in the said task, and also the measurable and the expected outcome and social/ environmental impact of the CSR activity.
- The Company recognises that the period of implementation of its long term CSR projects can extend over one year up to three years depending upon the expected outcome/ impact thereof. While planning for such long term projects the Board should estimate the total cost of each project and that the Company should commit such amount for long term expenditure till completion of the said project.
- The Company may take up the implementation of CSR projects with its own manpower and resources, if the Board is confident of its organizational capability to execute such projects.
- Employees of the Company shall be encouraged to support the CSR activities, projects, programs of the Company by contributing and sharing their time and skills towards the causes they feel passionate about.

CSR programmes identified by the Company will be required to be put up to the Board at the beginning of each financial year. Upon approval of such programmes, the registered trust of

the Company or any other approved registered trust/organisation may take up the activity and can appoint executive agency to implementation of such programmes or activities in line with CSR objectives of the Company.

5. EXECUTING AGENCY:

- i. While the Company may build CSR capacity of its own personnel, however if in the opinion of the Board, the implementation of CSR projects requires specialized knowledge and skills, and if the Company does not have such expertise in-house, the wherewithal and dedicated staff to implement such activities, projects, programs, the Board may decide to avail the services of external specialised agencies, with established track record of at least three financial years, but such expenditure, including expenditure on administrative overheads shall not exceed five per cent of the total CSR expenditure of the Company in one financial year.
- ii. Such external agency shall carry out and implement the CSR activities, projects and programs in accordance with the terms and conditions agreed between the Company and the external agency.
- iii. The Company may also collaborate with other companies for undertaking CSR activities, projects or programs in a manner that the Board of the respective companies are in a position to report separately on such activities, projects and programs.

6. MONITORING & REPORTING:

- To ensure effective implementation of the CSR programmes undertaken by the Company, a monitoring mechanism will be put in place by the work centre head. The progress of CSR programmes under implementation by the registered trust or any other approved registered trust/organisation will be reported to the Board of the Company periodically. Monitoring may be done periodically with the help of identified key performance indicators, the periodicity being determined primarily by the nature of key performance indicators.

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- The Board will conduct impact studies on a periodic basis, and also try to obtain feedback from beneficiaries about such programme.
- The performance of the Company's CSR activities would be monitored on the basis of their achievement of annual targets and the utilization of their annual budgets for the activities planned and the targets set for each year.
- Appropriate documentation of the CSR Policy, annual CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis and the same will be available in the public domain.
- CSR initiatives of the Company will also be reported in the Annual Report of the Company.

6. GENERAL:

- **SUJAY IRRIGATIONS CSR** and also in respect of matters not covered herein, a reference to be made to the Board of Directors of the Company. In all such matters, the interpretation & decision of the Board shall be final.
- Any or all provisions of the **SUJAY IRRIGATIONS CSR** would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.
- The Company reserves the right to modify, cancel, add, or amend any of these clauses.

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