

KOTHARI SAFE DEPOSITS LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR)POLICY

CSR POLICY

1. CONCEPT:

1.1. SHORT TITLE & APPLICABILITY:

1.1.1 This policy, which encompasses the company's philosophy for drawing its responsibility as *a corporate citizen* and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the '**KSDL CSR Policy**'.

1.1.2 This policy shall apply to all CSR initiatives and activities taken up by KSDL, for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

1.2. CSR VISION STATEMENT & OBJECTIVE:

1.2.1. In alignment with the "*Vision*" of the company, KSDL, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a *Socially Responsible Corporate*, with environmental concern.

1.2.2. The objective of the KSDL *CSR Policy* is to:

- ✓ Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- ✓ To directly or indirectly take up programmes that benefit the communities in & around its work centers and results, over a period of time, in enhancing the quality of life & economic wellbeing of the local populace.
- ✓ To generate, through its CSR initiatives, a community goodwill for KSDL and help reinforce a positive & socially responsible image of KSDL as a corporate entity.

2. GUIDING PRINCIPLES - RESOURCES & AREAS TO BE COVERED

2.1. Funding & Allocation:

2.1.1. Subject to triggering CSR obligation on any financial year to achieve its CSR objectives through implementation of meaningful & sustainable CSR

programmes, KSDL will allocate 2% of its average annual net profits made during 3 immediately preceding financial years, as its *Annual CSR Budget*.

- 2.1.2.** Administrative overheads are 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 and shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- 2.1.3.** From the annual CSR Budget allocation, a provision will be made towards the CSR activities made under relevant expenditure heads, on a year on year basis as per the amount spent on any activities covered under **Schedule VII of the Companies Act, 2013 and amendments thereon.**
- 2.1.4.** CSR activities will not include the activities undertaken
- (i) in pursuance of normal course of business of the Company,
 - (ii) outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 - (iii) benefitting the employees of the Company (as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) and as amended from time to time),
 - (iv) by contributions of any amount directly or indirectly to any political party,
 - (v) on sponsorship basis for deriving marketing benefits for its products or services or activities carried out for fulfilment of any other statutory obligations under any law in force in India.
- 2.1.5.** Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the “Unspent Corporate Social Responsibility Account”. Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII/ any other fund notified by the Government, within a period of 30 days from the date of completion of the third financial year.

2.2 Area to be covered

- 2.2.1. The poor and needy section of the society living in different parts of India would normally be covered on the activities covered under Schedule VII of the Companies Act, 2013 and amendments thereon. As per the Section 135 of the Companies Act, 2013 the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities within the State / States in India.

3. PLANNING

- 3.1. The Annual Action plan shall be formulated / altered by the Board any time during the financial year, based on the reasonable justification to that effect.

3.2. The CSR Annual Action Plan shall include the following:

- a. the list of CSR projects that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act,
- b. the manner of execution of such projects,
- c. the modalities of utilisation of funds and implementation schedules for the projects,
- d. monitoring and reporting mechanism for the projects and
- e. details of need and impact assessment, if any, for the projects undertaken by the company.

4. IMPLEMENTATION:

- 4.1. CSR programmes will be implemented by the Company on its own or by any Specialized Agencies to the best possible extent. Specialized Agencies include a Section 8 company or a registered public trust or society. These organizations should have CSR Registration number and registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961) and other criteria as required under Section 135 of the Companies Act, 2013 and its Rules thereon.
- 4.2. The Company may also collaborate with other companies / institutions to undertake CSR projects or programme, provided the CSR Committees of the respective companies are able to report separately on such projects.
- 4.3. CSR programmes as may be identified by each work centre/corporate office will be required to be put up to the Board of Directors of the company at the beginning of each financial year.
- 4.4. For meeting the requirements arising out of immediate and necessary situations, Chairperson is authorised to approve proposals in terms of the empowerment accorded to her / him by the Board and subsequently brought to the information of the Board.

5. MONITORING AND FEEDBACK

- 5.1.** The Board of Directors formulate and monitor the CSR policy and annual action plan.
- 5.2.** The Board of Directors to monitor the progress of the annual action plan, their manner of execution, modalities of utilization of funds and implementation schedules at the end of the financial year.
- 5.3.** The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it at the end of the financial year.
- 5.4.** Appropriate documentation of the KSDL 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.
- 5.5.** CSR initiatives of the Company will also be reported in the Annual Report of the Company in the prescribed format.

6. GENERAL

- 6.1.** In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the Secretarial Department.
- 6.2.** Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.
- 6.3.** The Company reserves the right to modify, cancel, add, or amend any of these Policy Rules.
- 6.4.** The other terms and conditions on implementing the CSR projects and programmes shall be complied as per the provisions of Section 135 of the Companies Act, 2013 and its Rules and amendments thereon.

CSR Action Plan for the Financial Year 2023-24

S. No.	Name of the CSR Project	Category under Schedule VII	Manner of execution	Amount to be spent (Rs. in Lakhs)	Implementation Modality	Implementation Schedule
1.	Promoting education, supporting for educational infrastructure facilities in Schools and Colleges & Promoting health care, contributing healthcare infrastructure facilities	(i) & (ii)	Support / Construct various infrastructure facilities at educational institutions & Contribution / Creating health care infrastructure facilities	9.86	Implementing Agency namely, Shyam Kothari Foundation CSR Registration No: CSR00005719	During the FY 2023-24
Total				9.86		