

Super Sales India Limited

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

CSR is a form of corporate self-regulation integrated into a business model. CSR policy functions focus on self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. In some models, implementation of CSR goes beyond the compliance and engages in actions that appear to further some social good, beyond the interests of the company. CSR is a process with the aim to increase responsibility for the company's actions and encourage a positive impact through its activities on the environment, education, healthcare, drinking water, infrastructure development, promoting sports, interest of customers, employees, communities, stakeholders and all other members of the public sphere who may also be considered stakeholders.

A more common approach to CSR is monetary donations and aid given to local and non-local nonprofit organizations and communities, including donations in areas such as the arts, education, housing, health, social welfare and the environment, among others, but excluding political contributions and commercial sponsorship of events.

Super Sales India Limited believes that the corporate success and social welfare are interdependent.

With due respect to the society at large, every business decisions of Super Sales India Limited are taken not only considering the interest of its stakeholders but also the society at large. This corporate social responsibility is also seriously reflected across the company and its group as an employer, manufacturer, investor and a consumer.

The Government of India has also vide section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 has brought out guidelines for Corporate Social Responsibility for the due compliance by certain class of companies.

Accordingly, Super Sales India Limited is also covered under the section 135 which states that the company has to form a CSR Committee, frame CSR policy for spending 2.0% of the average profit Per Annum on the CSR Activities, geographical areas wherein the activities are proposed to be carried out, allocation of funds for various activities, procedures for obtaining the sanctions, monitoring mechanism for such expenditures from the Board etc.

DEFINITIONS:

Rules means Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time;

Words and expressions used herein and not defined in this policy shall have the meanings respectively assigned to them in the Companies Act, 2013 and Rules made thereunder.

SCOPE:

1.The scope of the CSR policy is to lay down the guiding principles to enable the CSR Committee and the Board of Directors to determine the amount of money to be allocated for the CSR Expenditure in any financial year, the projects/ programmes/ activities for which the amount has to be spent, allocation of funds among various CSR expenditures, the geographical areas where the CSR activities are to be undertaken, priority for certain CSR activities over other CSR activities, timings of the expenditure, periodicity of reporting etc

CSR ACTIVITIES TO BE COVERED

CSR activity to be undertaken shall be one or more of the projects / programmes /activities specified under the Schedule VII of the Act or notified by the appropriate authority from time to time. The CSR committee shall formulate and recommend to the Board of Directors, an annual action plan in pursuance of this policy, which shall include the following, namely;

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of the projects or programmes as specified in sub-rule (1) of rule 4;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

The committee is at liberty to identify the activities based on the needs of the society. The Administration Department / Unit Heads of the Company, may submit to the Chairman of the CSR Committee the nature of CSR activities to be pursued from time to time based on the requirements of the area in which the factories / establishments of the Company are situated.

PERMITTED CSR ACTIVITIES

- (i) 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;
- (ii) Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) 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 Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (v) 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;
- (vi) 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;
- (vii) Training to promote rural sports, nationally recognized sports, para-olympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) (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; and
(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 Organisation (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)

- (x) Rural development projects;
- (xi) Slum area development;
- (xii) Disaster management, including relief, rehabilitation and reconstruction activity(ies) and
- (xiii) Any other activity as may be specified in Schedule VII of the Act from time to time.

GEOGRAPHICAL AREA

The Company may undertake CSR activities anywhere in India, however preference may be accorded for the geographical locations (district, city / town or village) where the Company's operations are located.

AMOUNT TO BE SPENT

During every financial year the CSR Committee shall arrange to spend for the specified CSR activities, an amount which is not less than 2% of the average net profits of the immediately preceding three financial years. However, if in any financial year, for any reason, the company is unable to spend an amount as stated above, the Company shall provide suitable explanation stating the reasons therefor to the Board of Directors and the Board shall include the same in the Directors' Report of the Company. Further, the Company shall transfer such unspent amount (unless the unspent amount relates to an ongoing project) pertaining to that financial year to a fund as specified in Schedule VII of the Act within the period as specified in the Act.

Any amount which is remaining unspent pursuant to any ongoing project, undertaken by a company in pursuance of this Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation under this Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

Further, any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the unspent CSR Account and spent in pursuance of this policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

CSR amount spend by the Company in excess of the statutory requirement may be set off against the requirements to be spent in the immediate succeeding three financial years subject to the following conditions:

- a. The excess amount available for set off shall not include the surplus arising out of the CSR activities as mentioned above.
- b. The Board of Directors shall pass a resolution to this effect.

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

- a. A company established under Section 8 of the Act or a Registered Public Trust or Registered Public Society having charitable objects and “CSR Registration Number” or
- b. Beneficiaries of the said CSR project in the form of self-help groups, collectives, entities or
- c. A public authority as defined under Rule 2(j) of Companies (Corporate Social Responsibility Policy) Rules, 2014

CSR EXPENDITURE BUDGET

The management shall draw CSR expenditure Budget for every financial year and submit to the CSR committee for recommendation. The budget shall provide details as required for annual action plan. The CSR Committee after deliberations may recommend, with or without modification, to the Board of Directors for approval. Then the company shall allocate funds as per the Board’s approval.

METHOD OF CSR EXPENDITURE

The Company may undertake the CSR activities directly by itself or by contributing to the following Implementing Agencies as may be recommended by the CSR Committee and approved by the Board:

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or
- (b) 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
- (c) any entity established under an Act of Parliament or a State legislature; or
- (d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Where contributions are made to an implementing agency, the company shall ensure that the implementing agency has a valid "CSR Registration Number" and also shall obtain a Fund.

The company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are able to report separately on such projects or programmes.

Utilization Certificate duly certified by an independent Chartered Accountant and submitted to the CSR Committee.

For ongoing projects, extending beyond the financial year, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation.

MONITORING CSR ACTIVITIES

The CSR Committee shall meet at reasonable intervals and review the progress on the CSR activities. The Committee shall take steps to check whether the activities are progressing as per guidelines of the CSR policy and the statutory requirements and shall initiate corrective actions when there is any deviations.

The Chief Financial Officer shall certify to the Board that the funds disbursed for CSR have been utilised for the said purpose.

CSR REPORTING

The Company shall submit to the CSR Committee the details of projects/ Programmes/ activities undertaken periodically at reasonable intervals. The CSR committee shall forward a report on CSR activities of the Company to the Board of Directors once in a year. The Board shall provide a report in the prescribed format on CSR activities of the Company in its Report to shareholders every year.

The company shall also post on the Company's website the contents of the CSR policy, Composition of CSR Committee, Projects approved by the Board and the report of the Board of Directors of the Company on the CSR activities in the prescribed format.

POLICY OPERATION AND REVIEW

The Managing Director of the Company is authorized to make minor modifications to this Policy which will remove ambiguities, enhance clarity on the provisions in relation to implementation of this policy, etc.

In case of any major changes to the Policy, the Board of Directors shall amend this policy, as may be required to be in line with the changes, amendments and modifications if any in the Companies Act, 2013 and the Rules made thereunder, on recommendation of the CSR Committee.

Further, in case of any amendment, clarification, circular, notification etc., issued by a competent authority, which is not consistent with the provisions laid down under this Policy, the provisions of such amendment, clarification, circular, notification, etc., shall prevail and this policy shall stand amended accordingly, without any further action, on and from the date on which such amendment, clarification, circular, notification comes in to effect.

Further, the Board also reserves the right to amend the Policy on the recommendation of the CSR Committee as it may deem necessary.
