



Corporate Social Responsibility (CSR) Policy

I. PREAMBLE

Corporate Social Responsibility (CSR) is the responsibility of the corporate entity towards the society in consideration of the support given and sacrifices made by the society by sharing part of its profit for the betterment of society. IOL Chemicals and Pharmaceuticals Limited (IOLCP) believes in corporate excellence and social welfare. This corporate philosophy is the force for integrating Corporate Social Responsibility (CSR) into IOLCP values, culture, operation and business decisions at all levels of the organization. Being a responsible corporate citizen, IOLCP has a value system of giving back to society and improving life of the people and the surrounding environment.

The Company's CSR initiatives are inspired by the opportunity to contribute to a more secure and sustainable future. IOLCP believes that the corporate strategy which embraces social developments as an integral part of the business activities ensure long term sustainability of business enterprises. With this belief, the Company is committed to make substantial improvements in the social framework of the nearby community. Looking at the social problems which the country faces today, the contribution by any corporate may look tiny. However, we believe that every such contribution shall bring a big change in our society.

II. DEFINITION

1. **"Act"** means the Companies Act, 2013 and Rules framed thereunder;
2. **"Company"** The words "This Company", "The Company", "Company" wherever occur in the policy shall mean "IOL Chemicals and Pharmaceuticals Limited".
3. **"Corporate Social Responsibility (CSR)"** means and includes but is not limited to :-
 - i. Projects or programs relating to activities specified in Schedule VII to the Act;
or
 - ii. Projects or programs relating to activities undertaken by the Board of Directors of the Company (Board) in pursuance of recommendations of the CSR Committee of the Board as per declared CSR Policy of the Company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.
4. **"CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
5. **"CSR Policy"** relates to the activities to be undertaken by the Company as specified in Clause IV of this policy or Schedule VII to the Act and the expenditure



thereon, excluding activities undertaken in pursuance of normal course of business of a company.

- 6. "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.
- 7. "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;

III. INTERPRETATION

Words and expressions used and not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 or rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other Guidelines/ Regulation(s) promulgated by SEBI/ other statutory authorities and any amended(s) thereto from time to time.

IV. GUIDELINES

1. CSR Activities

The CSR initiatives of the Company are identified in consultation with the management, social experts, community and other stakeholders. The implementation strategy is planned in a way so as to give sustainable and scalable solutions.

The identified focus areas for the Company are:

- i. Eradicating hunger, poverty and malnutrition, promoting 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:
- ii. Promoting education, including special education and employment enhancing vocation skills especially 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 centres 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 the Clean Ganga Fund set-up by the Central Government for rejuvenation for 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;
- vii. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- viii. 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;
- x. Rural development projects;
- xi. Slum area development
- xii. disaster management, including relief, rehabilitation and reconstruction activities.

Such other activities as may be recognized by the Committee/Board or as may be required/ permissible under prevailing law(s)."



2. CSR Expenditure

The Company shall spend in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years on CSR projects in accordance with the policy. Surplus, if any, arising out of the CSR projects, programmes or activities shall not form a part of the business profits of the Company and will be ploughed back into the CSR activities.

The CSR Expenditure will include all expenditure, direct and indirect incurred on CSR projects undertaken in accordance with the CSR plan but Administrative Overheads shall not exceed 5% of the total CSR Expenditure of the company for the financial year

Surplus, if any, arising out of the CSR projects, programmes or activities shall not form a part of the business profits of the Company and will be ploughed back into the CSR activities.

If CSR expenditure in the a financial year exceeds the statutory limit, such excess may be set off against CSR expenditure for the next three financial years with the approval of the Board, on the recommendation of the CSR Committee.

3. Implementation Process:

The Company shall undertake CSR activities in any one or more of the following manners:

- i. The Company may carry on CSR activities directly by having its own personnel;
- ii. In collaboration with other companies, provided that the Company shall report separately on its share of projects, programs and activities;
- iii. Through various Implementing Institutions, having an established track record of at least three financial years; and
- iv. Through a registered trust or a 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 are registered on MCA portal with a valid CSR registration number.
- v. Every year, the CSR committee will place for the approval of Board of Directors of the Company, an annual CSR Action Plan delineating the CSR Project to be carried out during the financial year, including budgets thereof, their mannar of execution, implementation schedules, modalities of utilization of funds and



monitoring & reporting mechanism for the CSR projects. The Board of directors will consider and approve the CSR plan with such modifications that may also be modified by the Board during the financial year on the recommendation of CSR Committee.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

4. Monitoring mechanism

The implementation of the CSR policy and execution of projects, programmes and activities undertaken by the Company shall be carried out under the overall superintendence, control and guidance of the CSR Committee. The CSR Committee shall closely monitor such activities and may also further constitute internal monitoring groups and/or sub-committees for different projects, programmes and activities, as may be required from time to time.

The minutes of the meetings of the CSR Committee shall be placed before the Board of Directors for their information. The Board of Directors shall have the power to make amendments, suggest new measures and/or otherwise amend the powers of the CSR Committee from time to time.

A half yearly or yearly report on the progress of implementation of the approved CSR projects carried out during the such period, covering details of achievement against planned deliverables for each intervention shall be provided to the CSR Committee.

The aforesaid report will also include confirmation from Chief finance officer that the funds disbursed for the CSR activities are being utilized for the stated purpose and in the specified manner.

CSR Committee shall place the above report before the Board of Directors for their information. The Board of Directors shall have the power to make amendments, suggest new measures and/or otherwise amend the powers of the CSR Committee from time to time.

At the end of every year Financial year, the CSR Committee will Consider an Annual Report on CSR activities and recommend the same to the Board for its approval . The said Report will be disclosed as part of the Board's Report .



5. Review of Policy

This CSR policy document will be reviewed from time to time and any changes will be approved by the CSR Committee and the Board

The contents of the CSR policy as amended from time to time shall be disclosed in the Board's Report and shall also be placed on the company's website viz. www.iolcp.com.

Adopted on 14th November 2018

Revised on 12nd November 2021