

CORPORATE SOCIAL RESPONSIBILITY POLICY

Background

TRL Krosaki acknowledges that being a responsible corporate citizen, it has the responsibility to contribute towards improving quality of life of the communities in and around its operations.

It believes that integrating social, environmental and ethical responsibilities into its governance system not only ensures long term success, competitiveness and sustainability of its business but also helps the community to meet its needs and grow.

Objective

The primary objective of the Corporate Social Responsibility (CSR) policy of TRL Krosaki is to make CSR a key business process for improving quality of life in the community. It serves by way of improving quality, and developing capability in the areas of education, health & sanitation, sustainable livelihood, environment protection, promoting sports & games, drinking water etc. in accordance with the framework of its policy.

Principles

The CSR activities shall be undertaken by TRL Krosaki, as stated in this Policy, as projects or programs or activities (either new or ongoing), for the benefit of communities with preference to the areas around it where it operates, by spending the amount earmarked for CSR activities. However, CSR activities shall not include activities undertaken in pursuance of the Company's normal course of business and activities which are exclusively for the benefit of TRL Krosaki employees or their family members.

The Company shall, ordinarily undertake its CSR activities directly and in case need arises, it shall also undertake activities through a registered trust for public service or a registered society or a Section 8 company registered under section 12A & 80G of the Income Tax Act, 1961, established by the Company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

Areas of Focus

The following is the list of CSR focus areas to undertake projects or programs by TRL Krosaki pursuant to Schedule VII of the Companies Act, 2013:

1. Promoting education, including capacity & capability building, special focus on supporting bright but economically backward children and differently abled children etc.
2. Providing employability enhancing vocation skills especially among the unemployed youth (both boys and girls) to help them get gainfully engaged, and other livelihood enhancement projects etc.
3. Promoting preventive & curative health care and sanitation and making available safe drinking water etc.
4. Ensuring environmental protection, protection of flora and fauna, afforestation, promoting use of solar energy etc.
5. Protection of national heritage; ethnicity, setting up public libraries; promotion and development of traditional arts and handicrafts:
6. Promoting rural sports, nationally recognised sports etc.
7. Contribution to Relief Funds or any other fund set up by the Central / State Government for socio-economic development and meeting needs at the time of natural calamities etc.
8. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
9. Undertaking miscellaneous rural development projects for the benefit of the people

10. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

Organizational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board (“CSR Committee”) consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR Committee of the Board shall –

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the actual expenditure of various activities and suggest the changes and recommend to the Board for its approval.
4. Modify the expenditure from long term to short term or vice versa.
5. Monitor the implementation of the Policy of the company from time to time.

The Board of the company shall, after taking into account the recommendations made by the CSR Committee, approve the CSR policy of the company and disclose contents of such Policy in the Directors report and also place it on the company’s website and ensure that the activities are undertaken as per the Policy of the company.

Approach for selection, implementation, monitoring & reporting of CSR activities

Selection

The inputs for selection of CSR projects / programmes shall be received in the forms of requests from the villagers / wards, from elected people representatives, from local / District authorities, surveys conducted by the Company’s CSR Team etc.. The requests shall be evaluated based on related baseline data, actual situation on the ground, urgency of the requirement, extent of impact by the proposed project / programme etc.. and the projects shall be shortlisted for discussion and approval by the CSR Committee of the Board. The projects shall be either of short term projects (implemented within one year) or on-going /long term projects (implementation spread over three years) as per Section 135 of Companies Act,2013 read with Companies (Corporate Social Responsibility Policy) Rules,2014. However, a short-term project can be converted into an on-going project during the year subject to consideration of CSR Committee and approval of the Board.

Implementation

CSR Team shall plan, implement, monitor and manage all CSR projects & activities for TRL Krosaki and will work closely under the guidance of the CSR Committee of the Board.

CSR Team will formulate implementation plans for the projects specifying the following:

- Activities to be undertaken.
- Budgets proposed.
- Time frame for implementation.
- Identifying short-term and long-term projects
- Responsibilities and authorities for implementation.

Monitoring

The CSR Team will monitor the implementation and progress of the approved projects through appropriate mechanisms such as site visits, review meetings and progress reports etc. Mechanisms to track data and monitor projects will be established to ensure the transparency and efficiency of the implementation process. The projects will be evaluated against the milestones defined in the implementation plan of the project. CSR team will ensure that all the payments for CSR projects / programmes are made through a separate bank account opened for the purpose. The revenue generated from CSR activities, if any, will be spent again in the CSR activities or programmes.

CSR Committee of the Board shall review progress of CSR projects and programmes periodically. Wherever necessary, midcourse corrections with respect to projects / programmes, targets, budget shall be approved.

For any reason if the CSR team is not able to follow the allocation agreed on in any of the specific CSR Focus Areas, described above, the same shall be utilized in such other Areas as the CSR team may recommend with the reasons therefor, and the Board may approve the same as per recommendation of the CSR Committee.

In case for any of the reasons if the minimum amount specified as per provisions of Section 135 of the Companies Act, 2013 as amended from time to time is not spent, the same shall be transferred to a separate bank account maintained for the said purpose as per Section 135 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII.

Reporting

The Company shall annually publish report on the CSR projects as a part of its Director's report as specified in Annexure II to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act 2013.

The CSR Policy on being approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website.

Partnerships

Collaborative partnerships are formed with the Government, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders. This is to help widen the Company's reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy or such other amount as modified by the Companies Act 2013 from time to time.

The CSR budget proposal along with the projects to be implemented, once approved by the Board on the recommendation of CSR Committee, the actual expenditure to be spent will be approved by the Managing Director on day to day basis.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

Update

CSR Committee of Board of TRL Krosaki will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Compliance with Companies Act, 2013

The Corporate Social Responsibility Policy of TRL Krosaki conforms to the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India and the rules made there under.