

SURAJ PRODUCTS LIMITED

CIN-L26942OR1991PLC002865

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CSR POLICY

Introduction

Suraj Products Limited is committed to operate and grow its business in a socially responsible way with a vision to be an environment friendly corporate citizen. Suraj Products Limited has taken up various corporate social responsibility initiatives earlier and will continue to do so in future. This has also enabled us to fulfill our commitment to be a socially responsible corporate citizen.

Constitution of a corporate social responsibility committee of the Board of Directors and formulation of a corporate social responsibility policy has become mandatory for Suraj Products Limited under Section 135 of the Act (as defined below). Accordingly, the Board has in its meeting held on 27th January, 2021 constituted a CSR Committee. The CSR Committee has formulated and recommended to the Board this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

I. Objective:

- (i) Outlining of the programs and activities to be undertaken by Suraj Products Limited.
- (ii) Specification of the modalities of execution of such programs and activities.
- (iii) Monitoring of the process to be followed for such programs and activities.
- (iv) Directly or indirectly take up the programs that benefit the communities in and around its work centers and results, over a period of time, in enhancing the quality of life and economic well-being of the local population and
- (v) Generate community goodwill for Suraj Products Limited and help reinforce a positive and socially responsible image, through our CSR activities.

II Definitions:

- (i) In this CSR Policy, unless the context otherwise requires:

- a) **“Act”** shall mean the Companies Act, 2013, including any modifications, amendments or re-enactments thereof.
- b) **“Annual Plan”** shall mean the annual planned CSR Expenditure as approved by the Board on the recommendation of the CSR Committee for a particular Financial Year.
- c) **“Approved Budget”** shall mean the total budget as approved by the Board of the Company which is to be spent or utilized for CSR Activities.
- d) **“Average Net Profits”** shall mean the average net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR Expenditure has to be calculated.
- e) **“Board”** shall mean the Board of Directors of the Company.
- f) **“Company”** shall mean Suraj Products Limited.
- g) **“CSR Activities”** shall mean all the Corporate Social Responsibility activities/ programmes/ initiatives of the Company, either ongoing or new, which are in conformity with the activities specified in Schedule VII to the Act (as amended from time to time) in and around the registered Office and works of the Company as recommended by the CSR Committee and approved by the Board.
- h) **“CSR Committee”** shall mean the Corporate Social Responsibility Committee as constituted by the Board in accordance with the Act and the Rules, comprising of three Directors, out of which, at least one Director shall be an Independent Director.
- i) **“CSR Expenditure”** shall mean all expenditure on CSR Activities as recommended by the CSR Committee and approved by the Board.
- j) **“CSR Policy”** shall mean this corporate social responsibility policy of the Company.
- k) **“Financial Year”** shall mean the period beginning from April 1 of every year to March 31 of the succeeding year.
- l) **“Rules”** shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, including any modifications, amendments or re-enactment thereof.

Words and expressions used and not defined in this CSR Policy shall have the same meanings respectively assigned to them in the Act and/ or the Rules.

III. CSR COMMITTEE:

i) The CSR Committee has been constituted in accordance with the provisions of the Act comprising of 3 (three) Directors. The Company Secretary shall be the secretary to the Committee. The CSR Committee may invite other experts/ invitees as per its requirements.

ii) The CSR Committee shall be responsible for:

a) Formulating the CSR policy, including the CSR activities and their budgets as well as recommendation of any subsequent change/modification to the CSR Policy.

b) Institute an implementation and monitoring mechanism for CSR activities.

c) Periodically updating the Board on the progress being made in the planned CSR activities.

d) Undertaking impact assessment of the CSR Activities.

e) Proving a responsibility statement in the Board's report.

IV. Thrust Areas:

While Company strive to undertake all or any suitable activity as specified in schedule VII to the Act, currently, its focus to support and implement the following activities as our thrust Areas:

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific programs as permitted under the law from time to time.

Sl. No.	Area	Activity/ programs
1.	Promoting health care including preventive healthcare and sanitation	Organizes health camps, blood donation etc. on regular basis, distribution of free medicines.
2.	Providing safe drinking water	Installation of tube wells, bore wells, submersible pumps and hand pumps.
3.	Promoting education	Construction of school building and proving safe drinking water and financial assistance to deserving students.
4.	Infrastructure	Improvement/ Repair to village roads, improving connectivity.

V. MONITORING MECHANISM:

The CSR activities will be driven by a dedicated team under the guidance and support of the CSR Committee and the Board. The CSR Committee will play a significant role in ensuring that the CSR Policy is embedded across Suraj Products operations and the CSR initiatives are in line with this policy.

The CSR Committee shall ensure effective implementation of the CSR programmes and activities undertaken in terms of this CSR Policy, the progress of each such programme and activity will be reported to the CSR Committee on a monthly/ quarterly basis, with all requisite documentation.

A periodic report on implementation shall be submitted to the Board by the CSR Committee.

The CSR Committee will conduct impact assessment studies on a periodic basis.

The CSR Committee shall also try to obtain feedback from the beneficiaries of the CSR Programmes and activities. If considered necessary, the effectiveness of various programs/ activities undertaken under the CSR Policy may be got evaluated through external agencies for providing the required feedback and inputs to formulate and improve the programs in future.

VI. FUNDING AND ALLOCATION:

Mode of funding and allocation of area-wise planned expenditure for the CSR Activities shall be as follows:

- a) The Company shall, in every Financial Year as required under Companies Act, 2013 contribute at least two percent (2%) of its Average Net Profits made during three immediately preceding Financial Years for the CSR Expenditure.
- b) In the absence of Average Net Profits during three immediately preceding Financial Years, the Company endeavors to spend such feasible amount as it may decide.
- c) The CSR Committee shall prepare its Annual Plan, for a Financial Year for the CSR Activities including the Thrust Areas and manner of implementation etc. and submit the same for approval of the Board in the following format:

Sl. No.	CSR programme or activities identified	Local area where the programme/ activities to be implemented	Amount	Amount spent on programmes or activities	Cumulative expenditure up to the reporting period

Any or all provisions of this CSR Policy may be amended by the Board based on the recommendations of the CSR Committee or in accordance with any statutory guidelines that may be issued from time to time.