

CALIBRE - CORPORATE SOCIAL RESPONSIBILITY POLICY

SHORT TITLE AND APPLICABILITY

This Policy, titled **Calibre Corporate Social Responsibility Policy (“Calibre CSR Policy”)**, encompasses Calibre Chemicals Private Limited, its parent company, group companies, associate companies, affiliates, subsidiaries (“**Calibre**” or the “**Company**”) philosophy for describing its responsibility as a corporate citizen and lays down guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large.

The Calibre CSR Policy shall apply to all CSR initiatives and activities taken up, as decided by the CSR Committee supported by the CSR Sub-Committee for the benefit of various segments of the society.

The Calibre CSR Policy shall be governed by the provisions of the Companies Act, 2013 (“**Act**”), more particularly Section 135 of the Act that sets out the eligibility threshold of the Company to mandatorily undertake CSR activities and the Rules framed thereunder by the Ministry of Corporate Affairs i.e. the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**the Rules**”) and other statutory provisions, as may be applicable to the Company, governing CSR activities.

SCOPE

Areas / Localities to be covered –

Calibre shall give preference to the local area(s) and surroundings around it where it operates for spending the amounts earmarked for CSR activities.

Activities –

Calibre shall undertake CSR projects and programs, either directly or through qualified agencies, as may be prescribed and which fall within the purview of the activities specified in *Schedule VII* of the Act, viz.:

- i) eradicating hunger, poverty and malnutrition, promoting healthcare including 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 vocational 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 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 the “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) measure for the benefit of armed force 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, Paralympic sports and Olympic Sports;
- viii) contribution to Prime Ministers National Relief Fund or “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; and
- xii) disaster management, including relief, rehabilitation and reconstruction activities.

The CSR Committee has currently decided to undertake projects as mentioned in point (i), (ii) & (iv) above. However, the CSR Committee shall be authorized to consider any other CSR activities which may be permissible under the extant provisions of the Act or the Rules framed thereunder from time to time including any modifications, revisions and / or amendments thereto.

Calibre projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with the provisions of the Act and the Rules framed thereunder.

RESOURCES, IDENTIFICATION AND APPROVAL PROCESS

Resources / Fund Allocation –

For achieving its CSR objectives through implementation of meaningful and sustainable CSR programs, Calibre will allocate / earmark in every financial year, at least two per cent (2%) of the average net profits of the Company made during the three immediately preceding financial years, as its CSR Budget for the

year. Such “net profit” shall not include such sums as may be prescribed and shall be calculated in accordance with the provisions of Section 198 of the Act.

If the Company fails to spend such specified amount, the Board shall, in its report, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project as specified in the following paragraph, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any unspent / unutilized CSR allocation of a particular year, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by Calibre in pursuance of its Corporate Social Responsibility 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 towards the Corporate Social Responsibility 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.

Where the Company spends an amount in excess of requirement as may be provided under the Act, such excess amount may be set off against the requirement to spend, up to immediate succeeding three financial years subject to the conditions specified under the Rules.

The Board shall ensure that the administrative overheads shall not exceed five per cent (5%) of the total CSR expenditure of the Company for the financial year.

Composition and responsibilities of the CSR Committee:

The CSR Committee shall consist the members as annexed in **Annexure I**.

Composition and responsibilities of the CSR Sub Committee:

The CSR Sub Committee shall consist of the members as annexed in Annexure I and shall work under the instructions of the CSR Committee and assist the CSR Committee in fulfilling its role and responsibility.

The CSR Committee shall:

- i) Draft the CSR policy and recommend the same to the Board for approval.
- ii) Review and recommend any new CSR initiatives to be taken up by the Company.
- iii) Review the progress of CSR projects already undertaken by the Company and the utilization of budgets for each such project.
- iv) Review and recommend the CSR report to be included in the Board’s report.
- v) Review and recommend any amendments to be made in the CSR policy of the Company.
- vi) To carry such other functions as may be delegated to it by the board relating to CSR activities of the Company.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Sub-Committee, based on the reasonable justification to that effect.

Identification Process –

Identification of projects or programs will be conducted by the CSR Sub-Committee by means of the following:

- Need identification studies by external agencies / institutions.
- Internal need assessment by cross-functional team.
- Receipt of proposals / requests from District Administration/Local Govt. etc.
- Discussions with local representatives, civic bodies, citizen's forums and/or voluntary organizations.
- Discretion of the CSR Committee and / or the CSR Sub-Committee.

Approval Process –

The projects or programs recommended by the CSR Committee shall be placed before the Board of Directors of the Company for their approval.

MODALITIES OF EXECUTION AND IMPLEMENTATION

Modalities of Execution –

Investment in CSR activities should be project or program based. Modalities of implementation with progress milestones should be framed before execution.

The CSR activities may be undertaken and / or implemented by:

- Calibre itself under the guidance and supervision of the CSR Committee or any responsible person authorized in this behalf;
- Registered public trusts or registered society, registered under section 12A and 80G of the Income Tax Act, 1961 or a company established under section 8 of the Act, established by Calibre, either singly or along with any other company,
- Registered trusts or registered society, registered under section 12A and 80G of the Income Tax Act, 1961 or a company established under section 8 of the Act, which is not established by Calibre but having an established track record of at least three years in undertaking similar activities.
- Calibre 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 in a position to report separately on such projects or programmes in accordance with these Rules.

Implementation –

The time period / duration over which a particular project or program or activity will be spread will depend on its nature, extent of coverage and the intended impact of the same.

The projects or programs or activities which involve considerable financial commitment and are undertaken on a time-frame of 2-5 years, shall be considered as 'flagship programs' and will be accorded enhanced significance.

The Company will follow a project / program / activity based accountability approach to stress on the long term sustainability of CSR activities, where its action plan will be distinguished as 'Short-term', 'Middle-Term' and 'Long Term' qualified as:

- Short Term - 6 months to 1 year
- Medium Term - 1 year to 2 years
- Long Term - 2 years and above - 'Flagship programs'

While identifying Long Term programs, all efforts must be made to the extent possible to define the following:

- Program objectives.
- Baseline survey - It would give the basis on which the outcome of the program would be measured.
- Implementation schedules - Timelines for milestones of the program will need to be prescribed
- Responsibilities and authorities.
- Major results expected and measurable outcome.

MONITORING

To ensure effective implementation of the CSR activities undertaken, a monitoring mechanism will be put in place by the Board of the Company in concurrence with the Chairman of the Calibre CSR Committee or Sub-Committee. The progress of CSR activities under implementation will be reported to the CSR Committee on a monthly basis.

Appropriate documentation of the CSR Policy, CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website for public access.

CSR initiatives of Calibre will also be reported in the Annual Report of the Company and the website of the Company in accordance with the statutory provisions.

GENERAL

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in *Schedule VII*, within a period of 6 months of the expiry of the financial year.

In case of any doubt or difficulty with regard to any provision of this Policy or implementation of any CSR activity and also in respect of matters not covered herein, a reference may be made to the CSR Committee. In all such matters, the interpretation and decision of the CSR Committee shall be final.

Any or all provisions of the CSR Policy shall be subject to modifications, revisions and / or amendments in accordance with the statutory provisions on the subject as may be stipulated by the Government and other relevant authorities from time to time.



Ravikant Annavarapu
Chief Executive Officer

Members of the Corporate Social Responsibility Committee

1. Mr. Trivik Bhavnani Director & Chairman of CSR Committee
2. Mr. Vishal Sharma Director & Member of CSR Committee
3. Mr. Rajesh Dahiya Director & Member of CSR Committee

Members of the CSR Sub Committee

1. Mr. Parvez K. Dubash Chairman of CSR Sub-Committee
2. Mr. Amit S. Vakharia Member of CSR Sub-Committee
3. Mr. Alok Kumar Sahoo Member of CSR Sub-Committee



Amy