

T.STANES AND COMPANY LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

This Policy is called “**Corporate Social Responsibility Policy**” (“**Policy**”).

Scope:

The Company shall mandatorily spend towards Corporate Social Responsibility (**CSR**) activities in terms of the provisions of the Companies Act, 2013 (**Act**) read with the relevant schedules and the rules thereunder.

CSR Activities:-

The Company shall undertake the activities as recommended by the CSR committee and approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 (the “**Act**”) read with Schedule VII and Companies (CSR Policy) Rules, 2014.

The Company in the initial phase will focus on the following areas for CSR projects from amongst the activities specified under Schedule VII of the Companies Act, 2013 (**Act**):

- i) Rural development projects,
- ii) Promoting education, supporting education of the needy, including special education and employment enhancing skills including upskilling especially among children, women and the differently abled and livelihood enhancement projects,
- iii) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine,
- iv) Improving sanitation, development of green belts, rejuvenation of lakes & water bodies, restoration of environment.

Operation of the Policy:

The Company shall contribute towards the social and economic development of the Community. The policy shall apply to all CSR initiatives and activities to be undertaken by the Company.

The Board shall constitute a CSR Committee in accordance with the Act. The Committee shall formulate and submit to the Board the policy for consideration and approval, recommend the CSR activities the Company may undertake in accordance with those listed in Schedule VII of the Act and the likely amount of expenditure associated with the activities. The Board shall, with due attention to Section 135 of the Act for selection of any project, environment impact, cost, timelines, sustainability, and other relevant factors-

-Consider and approve the policy formulated by the CSR Committee, subject to necessary changes/modifications as the Board may deem fit.

-Monitor the effective utilization of funds provided by the Company for CSR activities through appropriate checks and balances.

The Company may also collaborate with other companies for undertaking projects on collective basis. However, in all such cases of collective efforts, the Company shall ensure that the expenditure incurred can be separately monitored.

The Policy will be reviewed annually and if necessary and may be reviewed any time to meet any particular need.

CSR Committee:

- i. In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee of the Board on the 07th June, 2023 consisting of the following as Members of the Committee:
 - a) Mr. A Krishnamoorthy (Chairman of the CSR Committee)
 - b) Mr. K.K. Unni- Member
 - c) Mrs.Lakshmi Narayanan- Member
- ii. The Committee shall:
 - a. Formulate and recommend to the Board a ‘Corporate Social Responsibility Policy’ indicating the activities to be undertaken by the Company.
 - b. the activities to be undertaken by the Company.
 - c. Provide perspective and guidance to the Board of Directors on matters relating to CSR.
 - d. Formulation of the Annual Action Plan.
 - e. Recommend to the Board of Directors the amount to be spent on the CSR activities.
 - f. Ensure that CSR Activities are undertaken directly or through registered ‘Implementation Agencies’ who meet the eligibility criteria prescribed under the CSR Policy Rules.
 - g. Monitor the Company’s CSR policy from time to time.
 - h. Ensure legal and regulatory compliance relating to CSR as provided under the Act and the Rules.
 - i. Provide guiding principles for selection, implementation and monitoring of projects.
 - j. Institute a transparent monitoring mechanism for the implementation of the Projects to enable certification of amount spent to the Board by the Committee.
 - k. Periodically review the effectiveness of CSR spend.

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

Unspent Amount

The Board of Directors should ensure that the Company spends in every financial year, at least two percent of the ‘average net profits’ of the Company made during the three immediately preceding financial years. However, if in any financial year, for any reason, the Company is unable to spend the amount as stated above, the Committee shall provide suitable explanation stating the reasons therefor to the Board of Directors and the Board shall include the same in the Directors’ Report.

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 Companies Act, 2013 within the specified period.

However, any amount remaining unspent pursuant to any ongoing project, shall be transferred by the Company within a period of 30 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 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 of the Companies Act, 2013, within a period of 30 days from the completion of the third financial year.

Amendment

The Board reserves the right to amend or modify this Policy in whole or part, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever. Any such amended Policy will be updated on the website of the Company.

Disclaimer

While the Company would strive to achieve the objectives of the above policy, the Company does not make any personal assurance or any commitment to any individual or group who may be eligible/interested for the benefits under the above policy and the Company disclaims any liability, whatsoever on the same.