

CSR POLICY

PREAMBLE

Cals Refineries Limited (CALs) believes that a Company has responsibility towards Society, Community and Environment in which it operates. Its aim is to achieve responsible growth and hence It is committed to operate in a socially responsible way. This policy outlines our Corporate Social Responsibility agenda.



GOVERNANCE STRUCTURE

This policy is governed and prepared under the provisions of Section 135 of Companies Act, 2013 read with Companies(Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of Companies Act, 2013.

KEY AREAS OF FOCUS

The CSR activities that we aim to pursue will be in line with the Company's Vision and Mission and focused around the local areas in which Company has operations.

The Key focus areas in which the Company plans to contribute are as follows:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;

4. 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 setup by the Central Government for rejuvenation of river Ganga;
5. 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;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste, the Scheduled Tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects.
11. Slum area development.

***Explanation.**— For the purposes of this item, the term ‘slum area’ shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.*

OUR APPROACH TO IMPLEMENTATION

CALS shall strive to implement the above mentioned CSR activities to the extent possible depending upon the availability of funds and surplus profits.

CSR committee of the Company shall take care of the planning, implementation and control process of the CSR policy of CALS through the members of the Committee.

The Company shall make its contribution towards one or more activities as outlined in the abovementioned Key focus areas.

The Company may collaborate with other Companies in future on the basis of the need to undertake any project for the purpose of CSR so long as the CALS is in a position to report separately on such projects or programmes.

CSR BUDGET

The Budget of the CSR policy will be decided by the CSR committee. However, the Board shall ensure that the Company in every financial year, spends atleast two percent of the average net profits of the Company made during the three immediately preceding financial years, provided that, if the Company fails to spend such amount, the Board shall in its report made under Section 134(3)(c) of Companies Act, 2013, specify the reasons for not spending the amount.

CSR EXPENDITURE

CSR expenditure shall include all expenditure, direct and indirect, including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR committee, but does not include any expenditure on an item not in conformity or not in line with activities which do not fall within the purview of Schedule VII of Companies Act, 2013.

TREATMENT OF SURPLUS

Any surplus generated from CSR projects or programs or activities undertaken by us shall not form part of the business profit of the Company and shall be channelized into our CSR corpus and be further used in development of our CSR projects.

CSR REPORTING

The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

An Annual Report on CSR activities as per the format given in annexure to Companies (Corporate Social Responsibility policy) Rules, 2014 shall be prepared and included in the Board's Report of the Company.

The Board may seek a progress report from the CSR Committee on need basis highlighting the achievements or shortfalls and the reasons of variance.

