

**OKUMA INDIA PRIVATE LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

**Approved in the Board meeting dated 02.09.2024**

## Contents

1.	Philosophy:.....	3
2.	Definitions .....	3
3.	CSR Committee and its role.....	4
4.	CSR Activities.....	4
5.	Annual Action Plan .....	6
6.	Fund allocation:.....	6
7.	Transfer of unspent CSR Amount .....	7
8.	Identification of CSR Projects and Mode of Implementation: .....	7
9.	Impact Assessment .....	8
10.	Review .....	8
11.	Interpretation.....	8
12.	Amendment .....	8

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

### 1. Philosophy:

Okuma India Private Limited (“**Company**”) fosters a culture of caring, trust and continuous learning while meeting the expectations of all stakeholders and society at large. The Company is committed to the belief that it exists not just to run business and generate profits but also to fulfill its duties as a responsible corporate citizen. The Company believes in responsible growth and thus, intends to undertake CSR initiatives that will make a difference to the communities and the environment in which the Company operates. The outcome of these activities when measured will stand testimony to the Company being a responsible & a caring organization.

The Company’s CSR Policy framework details the mechanisms for undertaking various programmes in accordance with section 135 of the Companies Act 2013 for the benefit of the community.

### 2. Definitions

- i. “**Act**” means the Companies Act, 2013.
- ii. “**Administrative overheads**” means the expenses incurred by the Company for ‘general management and administration’ of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme.
- iii. “**Board of Directors**” or “**Board**” means the collective Body of the directors of the Company.
- iv. “**Company**” means Okuma India Private Limited and wherever the context requires, shall signify the Company acting through its Board.
- v. “**Corporate Social Responsibility**” as defined under the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**CSR Rules**”).
- vi. “**CSR Budget**” shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR activities, projects, or programs.
- vii. “**CSR Committee**” means Corporate Social Responsibility Committee constituted by the Board from time to time.
- viii. “**CSR Policy**” means CSR Policy of Okuma India Private Limited.
- ix. “**CSR Rules**” means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

- x. **“Implementing Agency”** means any entity registered with Ministry of Corporate Affairs for undertaking CSR projects, which is engaged by the Company to implement various projects in pursuance of CSR Policy.
- xi. **“Net profit”** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: –
  - a. any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
  - b. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:
- xii. **“Ongoing Project”** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board based on reasonable justification.

*Words and expressions used but not defined in this Policy shall have the same meanings as defined in the Act, or other cognate statutes.*

### 3. CSR Committee and its role

The CSR Committee of the Company will be responsible:

- i. To formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company in areas or subject specified in Schedule VII to the Act;
- ii. To recommend the amount of expenditure to be incurred on the activities referred to in clause (i);
- iii. To formulate and recommend an annual action plan in pursuance of CSR Policy;
- iv. To recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect;
- v. To monitor the CSR Policy as approved by the Board from time to time;
- vi. To monitor the implementation of the framework of CSR Policy;
- vii. To carry out any other function as mandated by the Board from time to time and/ or enforced by any statutory notification, amendment, or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

The Constitution and the role of the CSR Committee shall be in accordance with Section 135 and other applicable provisions of the Act and the CSR Rules, including any modifications or amendments thereto. All the CSR activities recommended by the CSR Committee and approved by the Board shall be in compliance with Schedule VII of the Act.

### 4. CSR Activities

- i. Company shall undertake CSR activities for development of the society and the environment, particularly in the vicinity of the areas where the facilities of the Company are located.

- a. The Company may undertake such activities which are broadly related to any of the following:
- 1) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation.
  - 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 centres 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.
  - 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 art and handicrafts.
  - 6) Measure for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
  - 7) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
  - 8) Rural development project.
  - 9) Development of area declared as “slum area” by the Government or Competent Authority.
  - 10) Disaster management, including relief, rehabilitation, and reconstruction activities.
- b. The Company may also contribute to the following funds as part of CSR activities:
- 1) Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
  - 2) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
  - 3) Prime Minister’s National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities, and women.
  - 4) 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.
  - 5) 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 Defence 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).

- ii. The above areas as enumerated in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the Company. The CSR Committee should consider details of CSR projects as elaborated in the annual action plan for each financial year.

Any CSR activity proposed to be undertaken as a CSR initiative, but not specifically covered in the aforesaid, may be undertaken only with the prior approval of the Board and CSR Committee.

## 5. Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

- i. The list of CSR projects or programmes that are approved and to be undertaken by the Company;
- ii. The manner of execution of such projects or programmes;
- iii. The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- iv. Monitoring and reporting mechanism for the projects or programmes; and
- v. Details of need and impact assessment, if any, for the projects undertaken by the Company.

The Board is empowered to alter the annual action plan during the financial year, if so, recommended by the CSR Committee, based on the reasonable justification for such change.

## 6. Fund allocation:

- i. The Board shall ensure that in each financial year, the Company spends at least 2% of the average net profits made during the immediately three preceding financial years towards CSR activities;
- ii. The CSR Committee shall prepare a CSR budget which may include:
  - a. Identified CSR Projects;
  - b. CSR expenditure;
  - c. Implementation Schedules.
- iii. Total expenditure in the CSR Budget shall be approved by the Board upon recommendation of the CSR Committee.

- iv. Subject to the provisions of the Act and CSR Rules, any amount remaining unspent on CSR shall be appropriated in such manner as may be decided by the CSR Committee and the Board from time to time in accordance with the provisions contained under the Act and CSR Rules.
- v. Any surplus arising out of the CSR Projects shall not form a 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 six months of the expiry of the financial year.

## 7. Transfer of unspent CSR Amount

- i. Where, the Company fails to spend CSR 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 transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- ii. Any CSR Amount remaining unspent pursuant to any ongoing project, undertaken by a Company in pursuance of its CSR 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 CSR 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.

## 8. Identification of CSR Projects and Mode of Implementation:

### i. CSR Projects:

- a. The CSR Committee shall recommend the activities for CSR along with estimated expenditure and phase-wise implementation schedules.
- b. The CSR Committee or any other person authorized in this behalf may engage any professionals/firms/agencies, if so required, for the purpose of identification and/ or implementation of CSR projects.

### ii. Mode of implementation

- a. The CSR Committee and the Board shall ensure that the CSR activities, programs, projects, or activities of the Company should be implemented by the Company itself or through specified entity as prescribed under the Act and the CSR Rules.

- b. The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- c. In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

## 9. Impact Assessment

If the Company is having average CSR obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent (5%) of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher. A summary of impact assessment outcome shall be disclosed in the Board's Report.

## 10. Review

The CSR Committee shall be fully responsible for the monitoring and review of the implementation of this policy in accordance with applicable laws from time to time. The CSR Committee shall provide recommendations as and when it deems necessary to the Board so as to amend/ modify/ revise the CSR Policy.

## 11. Interpretation

Any ambiguity, interpretative issue, difficulty will be resolved by the Board of Directors of the Company in line with the broad intent of this CSR Policy read with the applicable provisions of the Act and CSR Rules.

## 12. Amendment

In the event of any conflict between the provisions of this CSR Policy and the Act or the CSR Rules or any other statutory enactments or rules, the provisions of the Act or CSR Rules shall prevail over this CSR Policy and the part(s) so repugnant shall be deemed to be severed from CSR Policy and rest of CSR Policy shall remain in force provided that any amendment/modification in the Act or CSR Rules shall automatically apply to this CSR Policy.