

**SIL INVESTMENTS LIMITED**

**CORPORATE SOCIAL RESPONSIBILITY  
POLICY**

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## 1. Concept

### 1.1 Background

SIL Investments Limited (hereinafter referred to as “SIL or “Company”) is engaged in various social initiatives through its interventions in the area of Education, Social infrastructure development & improvement, Healthcare, Women Empowerment, etc.

These initiatives are carried out either by itself, in partnership with NGOs or the Government agencies. In order to provide impetus to social interventions and make the entire process and activities more efficient, it is imperative to outline the Corporate Social Initiatives of SIL into a formal document. The Company is also required to formulate a Corporate Social Responsibility Policy pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder.

### 1.2 Title & Scope

- a) This policy shall be called ‘SIL Corporate Social Responsibility Policy’ or ‘SIL CSR Policy’. It outlines the Company’s philosophy and responsibility as a citizen of India and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community in and around its area of operations and other parts of the country.
- b) This policy shall apply to all Corporate Social Responsibility (CSR) initiatives & activities taken up by the Company at the various locations in India, for the benefit of different segments of the society at large, specifically the deprived and underprivileged.
- c) This policy shall be the ‘Corporate Social Responsibility Policy’ or “CSR Policy” of the Company as envisaged under Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

### 1.3 CSR Vision Statement and Guiding Principles

SIL is committed to building a sustainable enterprise for the benefit of its present and future generations of stakeholders. The Company shall integrate and follow responsible practices into its business strategies and operations, to manage the three challenges – economic prosperity, social development and environmental integrity.

Towards this commitment, the Company shall:

- a) Build a sustainable enterprise that effectively balances financial strengths with social and environmental responsibilities.
- b) Deliver sustainable top-line and bottom-line growth while maintaining the highest corporate governance standards.
- c) Reduce its environmental footprint by investing in eco-friendly and reliable technologies and practices.
- d) Increase efficiency by optimum utilization of resources and technology.
- e) Work towards improving the quality of life by making the communities self-reliant in areas within which it operates.
- f) Build lasting social capital through interventions in the infrastructure, healthcare, education, vocational domains and other social welfare initiatives for the community residing in the vicinity of its plants and other places in India.
- g) Ensure welfare, growth and safety of all people associated with the Company.

- h) Empower its employees and continuously develop their knowledge and skill sets, so that they realize their true potential and drive the company's growth.
- i) Promote inclusive growth and equal opportunity by remaining a caste, gender and religion neutral organization.

## **2. Resources**

### **2.1 Funding & Allocation**

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, SIL shall endeavour to allocate the following as its Annual CSR Corpus:

- i) 2% of its average net profits made during the three immediately preceding financial years, as prescribed under the Companies Act, 2013 and the Rules frames thereunder;
- ii) Any income arising therefrom; and
- iii) Surplus arising out of CSR activities.

The surplus arising out of the CSR projects or programs shall not form part of business profits of the Company.

### **2.2 Mode of Implementation**

- a) CSR programs, projects or activities, will be implemented through one or more the following methods:
  - i) Directly by the company;
  - ii) "Rudra Prayag Charitable Trust", charitable organizations established for delivery of its CSR initiatives within India;
  - iii) Any other Registered Trust, Society or a Company registered under Section 8 of the Companies Act, 2013 (or under previous enactments) with an established track record of at least three years in carrying on activities in related areas and duly approved by the SIL CSR Committee; and/ or
  - iv) In collaboration with other organizations.
- b) The allocated CSR budgets / Corpus will be utilized for CSR activities undertaken within India;
  - i) Which are not exclusively for the benefit of employees of the Company or their family members; and
  - ii) Which are not undertaken in pursuance of normal course of business of the Company.

## **3. CSR Activities**

The CSR programs, projects and activities to be undertaken by the Company shall be relating to one or more activities listed in Schedule VII to the Companies Act, 2013.

The projects, programs or activities to be undertaken by the Company alongwith planned expenditure, modalities of execution, implementation schedule and monitoring process shall be as per **Schedule I** attached hereto.

The CSR Committee shall place before the Board every year its proposals in detail for undertaking the annual programs.

#### **4. Implementation**

- 4.1 The time period for implementation of the programme will depend on its nature, extent of coverage and the intended impact of the programme.
- 4.2 CSR programs which involve considerable financial commitment and are undertaken with a timeframe of more than 3 years will be considered as ‘flagship programmes’.
- 4.3 CSR programs shall be implemented with active participation of the local community, wherever possible, and in consultation with the State Government for policy and strategic purposes and local administration at village, block and district levels for operational purposes, wherever applicable. These interventions will also be synergized with the initiatives undertaken by the State Government, District Administration, Local Administration as well as Central Government Departments.
- 4.4 SIL’s CSR thrust areas or projects will be identified by the following means:
- a) Need identification Studies by the Company, professional institutions or agencies.
  - b) Receipt of proposals or requests from District Administration, local bodies, citizen’s forums, etc; or
  - c) Requests received from Government or Registered Trusts or Societies or other entities engaged in one or more activities indicated in Clause 3 hereof.
- 4.5 While all CSR programs will be focused in India, the Company shall give preference to the local areas around its Registered Office at Bhawanimandi, Rajasthan.
- 4.6 SIL will follow a project based accountability approach to stress on the long term sustainability of its CSR projects. Based on the tenure of the identified project, it will be qualified as;
- a) Short Term – upto 1 year
  - b) Medium Term – above 1 year but upto 3 years
  - c) Long Term – above 3 years (Flagship programmes)
- 4.7 While identifying long term programmes, all possible efforts shall be made to define the following:
- a) Programme objectives
  - b) Baseline survey – It would give the basis on which the outcome of the programme would be measured.
  - c) Implementation schedules – Timelines for milestones of the programme will need to be prescribed.
  - d) Responsibilities and authorities.
  - e) Major results expected and measurable outcome.’
- 4.8 Powers for approval
- a) Corporate Social Responsibility Committee (CSR Committee) of the Board shall formulate and recommend to the Board a CSR policy of the Company for a Financial Year including the amount of expenditure to be incurred on CSR programs, projects and activities.
  - b) The Board shall, after taking into account the recommendations made by the CSR Committee, consider and approve the CSR Policy as it may consider appropriate.

- c) The Board of Directors of the Company shall ensure that Company spends the requisite amounts specified under the Companies Act, 2013 on CSR activities failing which it shall specify in its report the reason for not spending the amount.
- d) The Board or CSR Committee shall delegate necessary powers for execution and implementation of the CSR Policy. The delegation shall also include powers for meeting the requirements arising out of immediate & urgent situations.
- e) All programmes approved in terms of the above delegation to be subsequently brought to the information of the CSR Committee of the Board.

## **5. Monitoring and Feedback**

- 5.1 To ensure effective implementation of its CSR programmes, SIL will put in place a robust monitoring mechanism. The specific monitoring process is indicated in Schedule 1 hereto.

To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head. The progress of CSR programmes under implementation at work centre will be reported to registered office on a monthly basis.

- 5.2 CSR Committee shall periodically monitor the progress of CSR projects, programs and activities incorporated in the CSR Policy, CSR Committee shall hold atleast two meetings during a Financial Year.
- 5.3 The CSR team will conduct impact studies on a periodic basis, of its own, through independent professional third parties or professional institutions, especially on the strategic and high value programmes.
- 5.4 CSR Policy will be displayed on the Company's corporate website [www.silinvestments.in](http://www.silinvestments.in)
- 5.5 An annual report on CSR containing the particulars as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 shall form part of Annual Report of the Company.
- 5.6 CSR Team will also try to obtain feedback from beneficiaries about the programmes.

## **6. General**

- 6.1 In case of any doubt with regard to any provision of the CSR Policy and also in respect of matters not covered herein, a reference should be made to the SIL CSR Committee.
- 6.2 The Company reserves the right to modify, cancel, add, or amend its CSR Policy subject to the provisions of the Companies Act, 2013 and Rules framed thereunder.

### **Schedule I CSR Projects and Programs for the Financial Year**

#### **A) Details of programs / Projects**

Sr. No.	Particulars of Programs and Projects	Sector in which the project / program is covered	Planned Expenditure (Rs.)	Modalities of Execution	Implementation Schedule

**B) Monitoring Process**

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the CSR Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

**The Company reserves the right to modify, cancel, add, or amend any of these Rules.**