

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 or any other implementing agencies which fulfil the criteria and meet the requirements, as may be prescribed. 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 corporate 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 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 and 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 framed 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 and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of the 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.

2.2 Mode of Implementation

- a) CSR programs, projects or activities, will be implemented through one or more of the following methods:
 - i) directly by the Company;
 - ii) through a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
 - iii) through a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the Company, either singly or along with any other company, or
 - iv) through a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - v) through any entity established under an Act of Parliament or a State legislature; or

- vi) in collaboration with other organisations, , if such organisation falls under Rule 4 of the Companies (CSR Policy) Amendment Rules, 2021

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 Corporate Social Responsibility Committee (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 programme 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.
- 4.3 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.
- 4.4 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).
- 4.5 Powers for approval
- a) CSR Committee of the Board shall recommend to the Board, the expenditure to be incurred on various CSR projects, programmes and activities and the annual action plan for a Financial Year and in case of Ongoing Project, the total amount to be spent on the said project / programme over the years.
 - 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.

5. Monitoring and Feedback

- 5.1 The monitoring and reporting mechanism for CSR Projects / Programmes shall be indicated in the annual action plan approved by the Board of Directors of the Company.
- 5.2 To ensure effective implementation of its CSR programmes, SIL will put in place a robust monitoring mechanism.
- 5.3 CSR Committee shall periodically monitor the progress of CSR projects, programmes and activities incorporated in the annual action plan and / or the CSR Policy. The CSR Committee shall hold atleast two meetings during a Financial Year.
- 5.4 CSR Policy will be displayed on the Company's corporate website www.silinvestments.in

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.