

TRICOLITE ELECTRICAL INDUSTRIES LTD

CORORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Introduction

The Company “TRICOLITE ELECTRICAL INDUSTRIES LTD” (herein after referred as “TEIL”) was incorporated in the year 1987 with an objective to provide Manufacture of Electrical Panels and other allied Electrical items. We believe that our Company is an intergral part of the society in which we are operating. As an integral part of our commitment to be a Good Corporate Citizenship, we at TEIL believe in actively assisting in the improvement of the quality of life of the people in the communities, giving preference to local areas around our business operations. We shall continue to relentlessly strive in our endeavor of sustainable development, accelerated inclusive growth and social equity.

This policy sets out our approach in respect of Corporate Social Responsibility (CSR) and sustainability and shall act as a guideline to adhere with the CSR norms in a true spirit and to give the binding effect to the Corporate Social Responsibility activities.

2. Objective

The objective of this Policy is to ensure that the TEIL will succeed in delivering the best possible service to all employees, Service providers, visitors and other stakeholders working at or on behalf of the Company and share the responsibility at all-time whilst carrying out their duties paying due regard to the Company’s policies, procedures and practices. This Corporate Social Responsibility Policy is being formulated in compliance with Section 135 of the Companies Act, 2013 read along with Schedule VII and the applicable rules thereto. This policy on social responsibility has been formulated and approved by the Board of Directors.

3. Scope

The scope of this policy includes all TEIL employees including all the service providers associated with the Company and has access to the Company’s network, or office premise or any other information.

4. Definitions

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modifications or re-enactments thereof:

- “Act” means the Companies Act, 2013 including any statutory modification or re-enactment thereof.
- “Company” means TRICOLITE ELECTRICAL INDUSTRIES LTD.
- “CSR” means Corporate Social Responsibility.
- “CSR activities” means the activities or projects or programs as recommended and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the Schedule VII to the Companies Act, 2013.
- “CSR Policy” means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.

- “CSR Rules” means Companies (Corporate Social Responsibility) Rules, 2014.
- “Board” means the Board of Directors of the Company.
- “Board’s Report” shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.
- “Net Profit” & “Average Net Profit” means profit calculated as per Section 198 of the Companies Act, 2013.

5. Focus Areas

As per Section 135 of the Companies Act, 2013, The Company’s CSR activities may focus on and/or include the following-

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 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.
- 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 set-up by the Central Government for rejuvenation of river Ganga.
- 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.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.
- Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt
- Rural development projects.
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities.
- Any other activity as the company may deem fit for the sustainable development of the society

6. Scope & Geographich Reach

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. The Company will thus give preference to conducting CSR activities in the State of Delhi herein the Company

has its operations. However, the Board may identify such areas other than stated above, as it may deem fit, for undertaking CSR activities.

7. Responsibility of the Board

Following shall be the responsibilities of Board:

- To formulate a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (1);
- To monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- After taking into account the approved Corporate Social Responsibility Policy for the Company and disclose contents of such Policy in its report and also place it on the Company's website, if any, in such manner as may be prescribed; and
- Ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the Company.

8. Expenditure on CSR Policy Statement

The Board of Company shall ensure that the Company spends, in the applicable financial year, at least two per cent. (2%) of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy:

Provided that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities:

Provided further that if the Company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and, unless the unspent amount relates to any on-going project referred to herein below phrase, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Any amount remaining unspent as mentioned in above paragraph, pursuant to any on-going project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility 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 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 Corporate Social Responsibility 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.

9. Our Values

Our stated values are as follows:

- Openness
- Respect
- Keeping Promises
- Professionalism
- Passion

We shall endeavour to adhere to our values in all of our activities, and we shall strive to be an exemplar of good practice. We shall encourage our stakeholders to adopt appropriate socially responsible policies and practices.

10. Policy Adherence:

This policy must be adhered by all employees & service providers working with the Company and aims to improve product/ service quality. Non-adherence of this policy will result in escalation to next level and disciplinary action.

11. Conclusion

- This CSR Policy & Sustainability policy is subject to revision/amendment in accordance with the guidelines as may be issued by the Government, from time to time.
- The Board may review the policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.