

LILADHAR PASOO FORWARDERS PRIVATE LIMITED

*Corporate Social Responsibility Policy*

## **1. Philosophy:**

Pursuant to Section 135 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with the Companies (Corporate Social Responsibility Policy) Rule, 2014, the Company is required to adopt the Corporate Social Responsibility (CSR) policy in the organization to add sense of responsibility and contribution among corporate which is expected to be more beneficial to the society at large by promoting and encouraging economic, social and educational development and also giving active support to local initiatives around its area of operation thereby promoting upliftment of people in varied arenas of life.

Here below is the “Corporate Social Responsibility (CSR) Policy” to contribute more and more to the social and economic development of the communities in which we operate. In doing so, the company will build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

## **2. Corporate Social Responsibility Committee:**

As per the provision of law, Company is not required to constitute Corporate Social Responsibility Committee (“CSR Committee”) hence the function of said Committee is to be discharged by Board of Directors (hereinafter referred to as “Board”) of the Company.

In future Company may/shall constitute CSR Committee subject to the requirements of the law.

## **3. CSR Activities:**

Pursuant to Schedule VII of the Companies Act, 2013, the following activities as “CSR Activities” to be undertake under the CSR policy of the Company. The Board has reviewed the said activities and express its consent to the Board to pursue the said activities under CSR policy of the Company under section 135 of the Companies Act, 2013, Schedule VII and other applicable rules, regulations, notifications etc., issued/to be issued from time to time.

### **Approved CSR Activities:**

1. Eradicating hunger, poverty and malnutrition, promoting health care including 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 set-up 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 art and handicrafts.
6. Measures for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
8. Contribution to the 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
9. (a) 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; and  
(b) 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 Defense 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).]
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.)
12. Disaster management, including relief, rehabilitation and reconstruction activities.

CSR activities approved by the Board may be carried out through a company established under section 8 of the Act or a registered trust or a registered society or through a company established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature (Companies (Corporate Social Responsibility Policy) Amendment Rules, 2016 notified

through notification dated 23rd May, 2016).

- (a) The Company may update the above list as per Section 135 and Schedule VII of the Act as amended from time to time
- (b) The Company focuses its philanthropy primarily in geographic regions of India where the Company has a business presence. However, the Company may contribute to causes in other parts of India, if the Board is of the opinion that such contribution is appropriate

Keeping in the view of the spread of novel Corona Virus (COVID-19) in India, its declaration as pandemic by the World Health Organization (WHO) and the decision of Government of India, to treat this as a notified disaster, notification has been issued dated 23rd March, 2020, to include the CSR spending for COVID-19 under CSR activities.

#### **4. Budget for CSR Activity & CSR Expenses:**

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediately preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Board shall approve the total fund to be utilized for CSR activity for respective financial year.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board but does not include any expenditure on an item not in conformity or not in line with activities within the approved CSR activities.

#### **5. Identification of activities/projects:**

Out of approved CSR activities, the Board shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the activity to be undertaken for the respective year, the Board shall analyse the basic need of the community/ area in which the Organisation operates or at the place where its registered/Branch office is situated. The Board shall record its findings and prioritise the CSR activities.

#### **6. Implementation process:**

After prioritizing the activity the Board shall finalise implementation project/programme, including planning for expenses against the total budget allocated for CSR activities.

CSR activities can be implemented in the following manner:

- (1) The CSR activities shall be undertaken by the Company as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- (2) The Board of a company may decide to undertake its CSR activities as approved through

- (a) A company established under section 8 of the Act or a registered trust or a registered society, established by the company, either singly or along with any other company, or
- (b) 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 any entity established under an Act of Parliament or a State legislature
- (3) A company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the Board/CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.
- (4) CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.
- (5) The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.
- (6) Companies may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with established track records of at least three financial years but such expenditure including expenditure on administrative overheads, shall not exceed five percent of total CSR expenditure of the company in one financial year.
- (7) Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

## **7. Monitoring Mechanism**

- (1) Organizations receiving Funding will be required to provide evaluation information on a periodic basis with details on the status of the CSR Activities, including details concerning the project deliveries, costs incurred, and in a manner prescribed by the Company.
- (2) A summary of these reports shall be tabled before the meetings of the Board.
- (3) Detailed reports will be available for further perusal of the Board as required.
- (4) The Company reserves the right to suspend payments to an Organization that delays and or fails to provide, to the Company's satisfaction, details concerning the use of the Funding.

## **8. Annual Action Plan:**

The Board shall formulate a CSR annual action plan, which shall contain all matters which are required under applicable law and any other matters as Company may deem fit from time to time. The Board may modify the annual action plan at any time during the financial year, based on reasonable justification

## **9. Organisational Responsibility:**

At organisational level for implementation of agreed CSR activity, the Board may constitute an implementation team or authorise any person/s to organize for the implementation of the CSR activity. The team or respective authorise person shall monitor the implementation process from time to time, and place a report to the Board regarding the progress of the activity implementation, on a quarterly basis. The authorized person/s or implementation team would be responsible for reporting of any irregularity to the Board on immediate basis.

## **10. Monitoring by the Board:**

The Board of Directors shall constantly monitor the implementation of the CSR activities. Company shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, with regard to implementation process.

## **11. Compliance and Reporting to Board:**

The Board is responsible to undertake CSR activities as per the approved CSR Policy. Apart from quarterly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incur, surplus arising, if any, result achieved, further work to do in the concern CSR activity, recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration. Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company.

## **12. Conclusion**

CSR Policy is subject to revision/amendment in accordance with the guidelines as may be issued by the Government, from time to time.

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