

“NTC INDUSTRIES LTD - Corporate Social Responsibility Policy”

This Policy is a framework and guidelines to the Board of Directors and Corporate Social Responsibility Committee to comply with the provisions of Section 135 of the Companies Act 2013 read with The Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Companies Act 2013.

Original Effective Date: 1st February, 2022

VISION

Corporate Social Responsibility is a form of corporate self regulation integrated into a business model. Therefore, the Policy will function as a built-in, self regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms. Corporate Social Responsibility is a form of corporate self regulation integrated into a business model. Therefore, the Policy will function as a built-in, self regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

BACKGROUND

In compliance with the provisions of Section 135 of the Companies Act, 2013 (“the Act”) read along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the rules”) and Schedule VII & the applicable rules thereto. The Corporate Social Responsibility Committee (“the Committee”) was constituted by the Board of Directors (“the Board”) of NTC Industries Limited (“the Company”) in their Meeting held on 1st February, 2022 and Corporate Social Responsibility Policy (“the Policy”) was adopted on 14th February, 2022 by the Board on the recommendation of the Policy by the Committee, approved in its meeting held on 1st February, 2022.

DEFINITIONS

"Act" means the Companies Act, 2013

“Company” means NTC Industries Limited (“NTC”).

"Corporate Social Responsibility (CSR)" means and includes but is not limited to

a) Projects or programmes relating to activities specified in Schedule VII to the Act or

b) Projects or programs relating to activities undertaken by the board of directors of a Company in pursuance of recommendations of the CSR Committee of the Board as per declared CSR policy of the company subject to the condition that such policy will cover subjects enumerated in Schedule VII of the Act.

"CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

"CSR Policy" relates to the CSR outlook of the Company and the activities to be undertaken by the company as specified in Schedule VII to the Act and the expenditure thereon, excluding activities undertaken in pursuance of normal course of business of a company.

"Net profit" means the net profit of a 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:

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act:

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

1. The Corporate Social Responsibility Committee shall consist of three or more Directors amongst which at least one shall be an Independent Director.
2. The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.
3. The quorum for a meeting of the Committee on CSR shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

Sl. No.	Name	Designation	Position in Committee
1.	Niraj Sinha	Director	Chairman
2.	Gaurav Somani	Director	Member
3.	Priyawart Jariwala	Director	Member

The CSR Committee shall:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- Monitor the Corporate Social Responsibility Policy of the company from time to time.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company

The Board of Directors shall ensure that the Company spends at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.

PLANNING AND IMPLEMENTATION

The Company shall identify any one or more of the following areas for its CSR spending:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation;
- 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;
- 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 arts 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural development projects;
- Slum Area Development; and
- Any other areas as may be notified by the Central Government from time to time.

The CSR projects or programs or activities undertaken by the company in India only shall amount to CSR Expenditure in accordance with the provisions of sub-section (5) of section 135 of the Act. Preference shall be given to local area and areas around the Company for spending the amount earmarked for CSR.

FUNDING

For achieving its CSR objectives through implementation of its CSR programmes,

the Company will spend 2% of its average net profits made during the 3 immediately preceding financial years towards projects or programs relating to CSR activities as per CSR policy, but does not include any expenditure on an item not in conformity with the CSR Policy.

MONITORING & IMPLEMENTATION

The CSR activities shall be undertaken either directly or through one or more registered trusts or societies with an established track record of three years in undertaking similar programs or projects as specified by Companies Act 2013 in such a manner as may be decided by the CSR Committee and monitored by the same. CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board's Report in compliance with Section 135 and rules made thereunder.

GENERAL

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, add, or amend any of these Rules