

CHEMBOND CHEMICALS LIMITED
POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR POLICY)

CSR - Preamble and vision

Corporate Social Responsibility (CSR) has formed an integral part of the business of Chembond Chemicals Limited and its group companies, since the company's inception. With a vision to actively contribute to the social and environmental development of the society in which we operate and thereby to create value for the nation, Chembond strongly believes in taking sustainable measures towards CSR.

This CSR Policy is framed in accordance with Section 135 including *inter alia* Schedule VII of the Companies Act, 2013 and including Rules made thereunder (the "Act").

CSR - Objectives

To add value to the community and society on a sustainable basis through dedicated policies, institutional setup and engagement process to promote inclusive growth.

To practice corporate values through a commitment to grow in a socially and environmentally responsible manner.

CSR - Activities

To achieve these objectives, the Company may undertake activities like the following:-

- 1) Promoting health care including preventive health care and sanitation;
- 2) Promoting education and employment enhancing vocational skills;
- 3) Encouraging environmental sustainability, ecological balance, conservation of natural resources;
- 4) Promotion of national heritage, art and culture;
- 5) Measures for the benefit of armed forces veterens, war widows and their dependents;
- 6) Training to promote sports;
- 7) Contribution to relief funds such as the Prime Minister's National Relief Fund;
- 8) Contribution to technology incubators located within academic institutions;
- 9) Rural Development Projects;

The following types of activities shall not form part of the CSR activities of the Company:-

- 1) Activities undertaken in pursuance of normal course of business of a company.
- 2) CSR projects or activities that benefit only employees of the Company & their families.
- 3) Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.

CSR Committee -

CSR Committee shall be formed as per the applicable law and the committee shall be responsible for the implementation / monitoring and review of this policy and various projects, programmes or activities undertaken under the policy.

The CSR Committee shall submit report to the Board of Directors from time to time.

CSR - Implementation

Subject to the provisions of the Act, CSR projects / programmes / activities may be implemented by the Company on its own or

- 1) In collaboration with other companies undertaking CSR projects / programs / activities. The CSR committees of respective companies should be in a position to report separately on such projects / programs / activities.
- 2) Through any registered trust(s), registered society(ies) or company(ies) established by the Company or subsidiary company or associate company under Sec. 8 of the Act or otherwise, The time period / duration of each project / programs shall depend on its nature, extend of coverage and intended impact of such activity.

CSR - Monitoring

The CSR Committee shall monitor CSR activities & report to the Board from time to time.

The CSR Committee shall have the powers to:

- 1) Seek monitoring & implementation report from the entity / organisation(s) receiving funds;
- 2) Delegate Company official(s) to co-ordinate with the organization(s) receiving funds to inspect the activities undertaken and ensure information in a timely manner;
- 3) Allocate budget to the specific or combined activities. For preparing the budget, the CSR Committee may take assistance from CFO or any other officer of the Company.
- 4) To reallocate the budget already allocated to any specific project, programme or activity to any other CSR project, programme or activity.
- 5) Empower MD(s) or such other officer(s) to spend such amount as it may deem appropriate for some other strategic CSR contingencies that may arise during any financial year.

CSR - Expenditure

Subject to the provisions of the Act, the Board may, on recommendation of CSR Committee, approve such amount or quantum of CSR expenditure as it may deem fit or necessary.

CSR - Reporting

The Board Report of the Company shall disclose the contents of CSR Policy and particulars as specified in the Act. The contents of this policy shall be displayed on Company's website.

Amendment to the CSR policy

The Board of Directors on its own and/or as per the recommendations of CSR Committee may amend this CSR Policy, as and when required and deemed fit.

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

**On behalf of the Board of Directors of
Chembond Chemicals Limited**

Sameer V. Shah
Managing Director