



## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **SILVER CONSUMER ELECTRICALS PRIVATE LIMITED**

CIN: U29100GJ2021PTC122633

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## **Corporate Social Responsibility Policy**

### **SILVER CONSUMER ELECTRICALS PRIVATE LIMITED**

#### **INTRODUCTION**

Silver Consumer Electricals Private Limited is one of the leading pump sets as well as consumer products manufacturers in India delivering superior and sustainable value to all our customers, business partners, shareholders, employee, workers and host community.

Our CSR initiatives focus on universal development of host communities, and create Social, Environmental and Economic value to the all class of the society:

Company requires to formulate a CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

#### **CSR OBJECT**

The Company firmly believes that CSR is primarily, the responsibility of the Company in relation to the impact of its decisions and activities on the society and also the environment, through a transparent and ethical behavior which is:

1. consistent with sustainable development and welfare of society,
2. takes into account the expectations of stakeholders,
3. is in compliance with applicable law, and
4. is uniformly integrated and practiced throughout the Company.

#### **SCOPE**

In furtherance of its CSR objects, the following are covered under this Policy:

1. CSR activities implemented by the Company on its own,
2. CSR activities implemented by the Company through own trust/society or group company trust/society,
3. CSR activities of the Company through an external trust/society.

## DEFINITIONS

In this Policy, unless the context otherwise requires:

**“ACT”** shall mean the Companies Act 2013, including any modifications, amendments or re-enactment thereof.

**“AGENCY”** (or Agencies) means any Section 8 Company or a registered trust/ society/ NGO/ institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company or its holding or subsidiary company/companies.

**“APPROVED BUDGET”** shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, if any which is to be utilized for CSR Projects.

**“BOARD”** shall mean the Board of Directors of the Company.

**“COMPANY”** shall mean Silver Consumer Electricals Private Limited and wherever the context requires, shall signify the Company acting through its Board.

**“CSR COMMITTEE”** shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act.

**“CSR EXPENDITURE”** means all CSR expenditure of the Company as approved by the Board, including the following:

- contribution to CSR Projects which shall be implemented and/or executed by the Company;
- contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by its Trust or Society; and
- contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by an Agency.
- Any other contributions covered under Schedule VII.
- Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR expenditure.

**“CSR OFFICER”** shall mean the whole time person engaged by the Company for activities envisaged in the CSR Policy; having due comprehension, understanding, drive and passion for such activities and designated as such.

**“CSR POLICY”** shall covers the activities to be undertaken by the Company as specified in Schedule VII to the Act and the CSR Expenditure thereon.

**“CSR PROJECTS”** or **“PROJECTS”** means Corporate Social Responsibility projects / activities / programs / initiatives, instituted in India, either new or ongoing, and include, but is not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee, if any as per the declared CSR Policy of the Company.

Projects / activities / programs / initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

**“FINANCIAL YEAR”** shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year.

**“NET PROFIT”** shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR expenditure has to be calculated.

**“RULES”** shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

**“SOCIETY”** means a Society registered under the Societies Registration act, 1860 by the Company.

**“TRUST”** means a Trust registered under the India Trusts Act, 1882 by the Company.

#### **AREAS:**

Company is eligible to undertake any suitable/rightful activity as specified in Schedule VII of the Act.

#### **IDENTIFICATION OF CSR PROJECTS:**

CSR Projects need to be identified and planned, with estimated expenditure and phase wise implementation schedules, if any.

The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

As a cardinal principle, the CSR Projects in prescribed areas, shall be identified on the basis of a detailed assessment survey.

The CSR Officer may engage external professionals/firms/agencies, if required, for the purpose of identification of CSR Projects.

#### **IMPLEMENTATION OF CSR PROJECTS:**

The Company shall implement the identified CSR Projects by the following means:

##### **Direct Method**

The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Areas as defined in the Policy;

The Company may also implement the identified Projects presently through its Trust or Society which is involved in CSR activities, within the scope and ambit of the Areas as defined in the Policy.

The CSR Officer may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.

The Company, may collaborate with other companies, including its Associate Companies if required, for fulfilling its CSR objects through the Direct method, provided that the Board of Directors of respective companies are in a position to monitor separately such CSR Projects.

##### **Indirect Method**

The Company may implement the identified CSR Projects through Agencies, subject to the condition that:

- a) The activities pursued by the Agency are covered within the scope and ambit of Schedule VII of the Act provided
- b) The Agency has an established track record of at least three years in undertaking similar programs or projects, and
- c) The Company has specified the Project to be undertaken through the Agency which shall be in prescribed Areas, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism which shall be at least once in three months.
- d) The Agency is Register with Registrar of Companies (RoC) by filling necessary forms with MCA.

The Company may collaborate with other companies, including its associate Companies, if required, for fulfilling its CSR objects through the Indirect method provided that the

Board of Directors of respective companies are in a position to monitor separately such Projects.

## **MONITORING**

Monitoring process for CSR Projects shall include the following:

- a) Evaluation of Planned progress V/s Actual Progress
- b) Actual expenditure V/s expenditure as per Approved Budget

## **FUND ALLOCATION AND OTHERS**

### **Fund allocation**

The company, in every Financial Year, shall endeavor to spend the feasible amount, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned expenditure in any Financial Year shall be at least 2% of Company's average Net profits for the three immediately preceding Financial Years.

In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134.

### **Others**

The Chairman, Managing Director and Whole Time Director of the Company are authorized severally to decide on Projects to be implemented through the Indirect Method within the allocation as per the Annual Plan.

Any surplus arising out of the CSR Projects shall not form a part of the business profit of the Company.

The Company may build CSR capacities of their own personnel or personnel of its Trust or Society, as well as those of the Agencies through institutions with established track records of at least three Financial Years but such expenditure shall not exceed 5% of the Approved Budget of the Company in one Financial Year.

## **DUTIES AND RESPONSIBILITIES**

### **1. Board of Directors**

The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure to the Rules.

The Board shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose the Board of Director shall ensure that the CSR Policy and finalized Annual Plan is displayed on the Company's website.

## **2. CSR Officer**

The CSR Officer shall be responsible for the proper implementation and execution of CSR Projects of the Company and following will be considered as CSR Officers:

Mr. Vinit Dharamshibhai Bediya, Managing Director

Mr. Dharamshi Mohanlal Bediya, Director

The CSR Officer shall be responsible for monitoring the Projects vis-à-vis the Annual Plan.

The CSR Officer shall be directly responsible to the Board of Directors for any act that may be required to be done by the Board of Directors in accordance with the Policy.

The CSR Officer shall be assisted by a select group of individuals who shall be exclusively dedicated and/or available on priority basis to the CSR Officer, including in Units, as and when required in discharge of all or any of his functions as required under the CSR Policy.

### **REVIEW PERIODICITY AND AMENDMENT:**

CSR Policy may be revised/modified/amended by Board of Directors at such intervals as it may deem fit.

### **CONTACT:**

For queries related to the CSR Policy, please write to us at: [cs@silverpumps.com](mailto:cs@silverpumps.com)