

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

### **Preamble**

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Onshore Construction Company Private Limited (“**OCCPL**”) was formed in the year 1995 with a vision to build a large-scale client-centric company in the construction industry. OCCPL has executed over 250 projects in the core construction sectors all over the country and abroad. Being an ISO-certified company with strength in resource allocation, OCCPL is not only surging ahead in core sectors but also getting involved in revolutionary projects.

The concept of Corporate Social Responsibility (“**CSR**”) is strongly connected with the principles of sustainability. The concept and need for CSR have gained prominence from all avenues. It is recognized that integrating social, environmental, and ethical responsibilities into the governance of businesses ensures their long-term success, competitiveness, and sustainability. "Our vision is to actively contribute to the social and economic development of the communities in which OCCPL operates. We believe that through our CSR initiatives, we can enhance value and promote social sustainability, sustainable development of the environment, and social welfare of the people and society at large."

### **Short Title & Applicability**

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This policy, which encompasses the company’s philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the welfare and sustainable development of the community at large, is titled the “**OCCPL CSR Policy**”. It has been prepared keeping in mind the company’s business ethics and to comply with the requirements of the Companies Act, 2013 (hereinafter called “**the Act**”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as ‘**the CSR Rules**’) as amended from time to time. This policy shall also apply to all CSR initiatives and activities taken up at the various locations of the Company, for the benefit of different segments of the society.

## Objectives

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The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up a process of execution, implementation, monitoring, and reporting of the CSR activities to be undertaken by the Company.

- ❖ To act in conformity with the provisions of section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, and the CSR Guidelines issued from time to time.
- ❖ To create value for the stakeholders and society that is fundamentally linked to OCCPL's core business and operations through its initiatives for sustainable development.
- ❖ To enhance value creation for the community around OCCPL's areas of operation by fostering goodwill among the stakeholders towards the Company by enhancing their quality of life.
- ❖ To carry out developmental initiatives to meet the calls of the present without compromising the ability of the future to meet its needs.

## Definition:

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**"Board"** means the Board of Directors of the Company.

**"Company"** means Onshore Construction Company Private Limited (OCCPL).

**"CSR Activities"** means such programs and projects as may be approved by the Board in terms of this CSR Policy.

**"CSR Committee"** means a committee constituted by the Board of Directors in terms of Section 135 of the Act and the CSR Rules.

**"CSR Rules"** means the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

**"CSR Expenditure"** means the amount recommended by the CSR Committee to be incurred on the CSR Activities in India in terms of the Act and the CSR Rules as approved by the Board from time to time.

## Corporate Social Responsibility (CSR) Committee

OCCPL shall have a CSR Committee of Board consisting of three or more directors including an independent director, if required by law.

The CSR Committee of the Company shall be responsible for formulating and recommending to the Board the CSR policy and a CSR annual action plan, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect. The CSR Committee reports to the Company's Board of Directors.

### Composition:

The CSR Committee shall consist of Four Directors which are as follows:

1. Mr. Belle Seetharam Shetty (Chairman)
2. Mr. Shijimon Muruthonkunnel Kumaran (Member)
3. Ms. Akshita Seetharam Shetty (Member)
4. Mr. Amitesh Seetharam Shetty (Member)

### Meetings:

The Committee shall hold meetings as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The members would strive to hold at least two meetings in a financial year.

### Quorum:

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.

### Sitting Fee:

The Sitting Fees for attending the meeting shall be determined from time to time by the Board of Directors of the OCCPL.

### Duties:

- ❖ The CSR Committee shall formulate and recommend CSR policy to the Board. CSR policy shall point out the activities to be undertaken by the company as enumerated in Schedule VII.
- ❖ The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company.
- ❖ The CSR Committee shall monitor the CSR policy of the Company from time to time.
- ❖ The Committee shall establish a transparent controlling mechanism for the implementation of the CSR projects programs or activities undertaken by the company.

## Scope of CSR Activities

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The scope of OCCPL's CSR programs shall be governed by the provisions of Schedule VII of the Companies Act, 2013, and shall include the following broad heads.

- Eradicating hunger, poverty, and malnutrition, promoting 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, daycare centers, and 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 the 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 arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows, and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows
- Training to promote rural sports, nationally recognized sports, Paralympic sports, and Olympic sports.
- Contribution to the Prime Minister's National Relief Fund Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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.
- 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
- Contributions to publicly funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under the 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).
- Rural Development Projects.
- Slum area development.
- Disaster management, including relief, rehabilitation, and reconstruction activities.

## EXCLUSIONS:

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Corporate Social Responsibility (CSR) means the activities undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in the CSR Rules, but shall not include the following, namely: -

- (i) activities undertaken in pursuance of the normal course of business of the Company.
- (ii) any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at the national level or India at the international level.
- (iii) contribution of any amount directly or indirectly to any political party.
- (iii) activities benefitting employees of the Company.
- (v) activities supported by the companies on a sponsorship basis for deriving marketing benefits for its products or services.
- (vi) activities carried out for the fulfillment of any other statutory obligations under any law in force in India.

## Implementation:

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Implementation of the CSR projects or programs shall be through the agencies fulfilling the criteria laid down under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time. Implementing agencies shall necessarily be fulfilling the criteria specified in "Annexure-I" of this Policy. Only duly registered agencies on the MCA portal with a valid registration number will be hired for CSR project implementation.

OCCPL will endeavor at all times to build and develop the skills of its CSR team and enhance the level of CSR awareness within the organization and may also engage International Organizations for capacity building of its own CSR personnel.



## CSR Contribution and Expenditure

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To achieve its CSR objectives through the implementation of meaningful & sustainable CSR programs, the Company will allocate 2% of its average net profits (calculated as per section 198 of the Companies Act, 2013) made during the 3 immediately preceding financial years as its Annual CSR Budget. The Annual CSR Budget shall be spent on projects/activities as laid down in the scope of this Policy.

**Administrative Overheads:** expenses incurred by the Company will be used for 'General Management & Administration' of the Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programs.

The Company may spend up to 5% of the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the company. Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and Annual Action Plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within six months of the expiry of the financial year.

**Excess Spent:** Where the Company spends an amount in excess of requirement, such excess amount may be set off by the Board against the requirement to spend up to immediate succeeding three financial years subject to the conditions that:

- (i) The excess amount available for set-off shall not include the surplus arising out of the CSR activities, if any.
- (ii) the Board of the Company shall pass a resolution to that effect.

**Transfer of unspent CSR amount** - Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within 30 days from the date of completion of the third financial year.

## Monitoring and Evaluation

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- ❖ To ensure effective implementation of the CSR programs undertaken at various locations, a monitoring and evaluation mechanism will be put in place.
- ❖ The progress of CSR programs under implementation will be reported to the Corporate Office on a periodical basis.
- ❖ The report on the progress of the CSR program undertaken by the Company will be put forward to the CSR Committee with full details of costs incurred and results achieved on a regular basis.
- ❖ The Company will try to obtain feedback from beneficiaries about the programs implemented in the area.
- ❖ Appropriate documentation of the OCCPL CSR Policy, annual CSR activities, executing partners and expenditure entailed will be undertaken on a regular basis.
- ❖ CSR Policy and initiatives of the Company will also be reported in the Annual Report and the official website of the Company.

## Impact Assessment

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- ❖ Details of need and impact assessment, if applicable for the projects undertaken by the Company will be included in the Annual Action Plan.
- ❖ If the Company has an average CSR obligation of ten crore rupees or more, in the three immediately preceding financial years, it shall undertake an impact assessment, through an independent agency, of their CSR projects, having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
- ❖ The impact assessment reports if applicable shall be placed before the Board and shall be annexed to the annual report on CSR.
- ❖ Impact assessment, if applicable may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed Two percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is Higher.



## Reporting

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The CSR Committee shall maintain proper minutes of all its meetings. The Board's report of the OCCPL shall include an Annual Report on CSR Activities undertaken in the previous financial year containing the particulars set out in "Annexure B" to this CSR Policy as per the Companies (CSR Policy) Amendment Rules, 2021 and such other details as may be prescribed from time to time under the act and rules made thereunder.

## Display of CSR Activities on the website:

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The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, the CSR Policy, and Projects approved by the Board on their website, if any, for public access.

## Conclusion

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In case of any doubt with regard to any provision of the policy and in respect of matters not covered herein, a reference is to be made to the CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final. 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 by the Government from time to time. The CSR Committee reserves the right to modify, add, or amend any of the provisions of this Policy subject to the approval of the Board.

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**CRITERIA TO BE FULFILLED BY IMPLEMENTING AGENCIES**

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), 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,
- c) any entity established under an Act of Parliament or a State legislature; or,
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

**Every entity, covered under sub-rule (1) of Rule 4 to the Rules of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-I electronically with the Registrar, with effect from the 01st day of April 2021.**

**All organizations desirous of implementing CSR projects must have an established track record of 3 years in similar activity.**

**Annual Report on Corporate Social Responsibility (CSR) Activities**  
(Pursuant to Section 135 of the Companies Act 2013)

1. Brief outline of the CSR Policy of the Company:
2. The Composition of the CSR Committee

Sr. No.	Name	Designation	Number of meetings of the CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.				
2.				
3.				
4.				

3. Web link where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the Company:
4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:
5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and the amount required for set-off for the financial year, if any:

Sr. No	Financial Year	The amount available for set-off from preceding financial years	The amount required to be set off for the financial year, if any
1			

6.

a)	Average net profit of the company as per sub-section (5) of section 135:	
b)	Two percent of the average net profit of the company as per sub-section (5) of section 135:	
c)	Surplus arising out of the CSR Projects programmes or activities of the previous financial years:	
d)	The amount required to be set off for the financial year, if any:	
e)	Total CSR obligation for the financial year [(b)+(c)-(d)]:	

7.

a)	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects):		
b)	Amount spent on Administrative Overheads:		
c)	Amount spent on Impact Assessment, if applicable:		
d)	Total amount spent for the Financial Year [6(a)+6(b)+6(c)]:		
e)	CSR amount spent or unspent for the financial year:		
	Amount Unspent (in Rs.)		
Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6).	The amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	
	Amount	Date of transfer	Name of Fund

f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount in Rs.
i)	Two percent of the average net profit of the company as per sub-section (5) of section 135	
ii)	Total CSR obligation for the financial year 2022-23	
iii)	Total amount spent for the Financial Year	
iv)	Excess amount spent for the Financial Year [(ii)-(i)]	
v)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	
vi)	The amount available for set off in succeeding Financial Years [(iii)-(iv)]	

8. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount Spent in the Financial Year	The amount transferred to a Fund as specified under Schedule VII as per the second proviso to subsection (5) of section 135, if any		The amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		

9. In case of the creation or acquisition of a capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset-wise details).
- Date of creation or acquisition of the capital asset(s).
  - Amount of CSR spent for creation or acquisition of capital assets.
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
10. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

Sd/-  
(Chairman & Managing Director)

Sd/-  
(Chairman CSR Committee).