

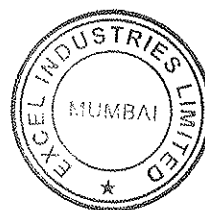


Excel Industries Ltd.

Corporate Social Responsibility Policy

Name of document	CSR Policy
Version	3.0
Authorized by	Board of Directors
Effective date	01.04.2021
Last revised date	01.02.2019

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1. CONTEXT

Excel Industries Ltd, established in 1941, is among the first few domestic Chemical Manufacturers of India who are pioneers in indigenous agrochemicals and specialty chemical technology and Waste management.

The Company believes a business to be more than just an economic hub but rather an organ of the society and strives to uphold the three pillars of People, Planet and Profit, laid down by the founder, Late Shri C.C. Shroff, Late Shri Govindji Bhai Shroff and Shri K C Shroff who stressed the importance of embracing integrated growth and a holistic thinking towards business.

Motivated by his ideals, the Company aims to touch the lives of the people on a deeper level and views Corporate Social Responsibility (CSR) as not just a responsibility, but, being responsive towards the communities in which they operate. To contribute towards the community development in a sustained manner the Company way back since 1960's has carried out community development projects through recognized and registered credible NGOs.

The Company envisions that the CSR projects can create significant positive impact on the wellbeing of communities and will contribute towards sustainable development of natural resources.

2. CSR VISION

Transcending horizons to create Sustainable, Empowered and Responsible Communities.

3. CSR MISSION

To be a catalyst for creating sustainable communities by designing interventions in the areas of natural resource management, human resource development, socio-economic development and infrastructure development of the communities in and around our operations and in other need based locations.

4. GUIDING PRINCIPLES

Deriving from the vision, Excel Industries CSR is guided by the following principles:

- Respecting and actively involving communities and natural resources and environment as our important stakeholders.
- Practicing rigour, creativity and innovation in designing community intervention activities to attain most of the sustainable development goals (SDGs).
- Fostering active participatory engagement of target audience to facilitate appropriate behavioral changes for creating responsible communities.

- Being accountable and transparent in planning, executing and reporting CSR projects.
- Creating shared value by facilitating partnerships for nurturing ownership of community assets created through CSR funds.
- Recognition of the synergy resulting from teamwork, including multi-disciplinary perspectives and collaborations.
- Fostering a spirit of self-reflection, mutual learning and critical appreciation to improve the quality of CSR interventions.
- Focus on preventive management rather than post event management of environmental and human disasters
- Endeavour to utilize up to 10% of annual CSR funds for natural disaster and emergency situations
- Strive to use up to 10% of annual CSR funds towards new pursuits and innovative projects

5. CSR POLICY OBJECTIVE

- To encompass the company's philosophy in pursuit of inclusive growth and equitable development.
- To outline the development areas in which the Company shall get involved in
- To direct formulation of the CSR annual action plan in pursuance of the CSR policy in accordance with the prevailing CSR Rules.
- Serve as a guiding document aiding in identification, execution and monitoring of the CSR projects

6. SCOPE OF THE POLICY

This Policy applies to all CSR projects that will be undertaken by Excel Industries and shall fulfil all the requirements of Section 135 of the Companies Act, 2013. Excel Industries shall ensure all the CSR activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013. This Policy will be reviewed periodically and updated in line with the relevant codes of legislation and best practices that can be adopted by Excel Industries.

Excel Industries will lay its focus on CSR activities/programmes around its operational locations or/and elsewhere in the country in compliance with the subjects and areas specified in Schedule VII of the Companies Act, 2013 . The areas of focus include Roha, Lote, Kutch, Vizag and Mumbai.

Local area means the State in which Company has presence. Excel Industry is present in the state of Maharashtra, Gujarat and Andhra Pradesh. CSR project spend covering these states shall be categorized as local spend.

7. THRUST/FOCUS AREAS

In order to leverage the demographic dividend of our country, Company's CSR efforts shall focus specifically on working with the constituencies of farmers, women, youth, children and elderly. The company shall ensure diversity and give preference to needy and deserving communities in its project areas. The thrust/focus areas of community interventions will be: a) water management, b) agriculture, c) animal husbandry, d) bio-diversity, e) economic empowerment of women, f) infrastructure development, g) education, f) health, g) mitigation and reversal of climate change and other areas in alignment with Schedule VII. (For details see Annexure 1).

Agriculture includes Seaweed cultivation, Bamboo plantation and projects related to enhancement of farmers' income and productivity.

Waste Management includes Agricultural waste, Municipal Solid Waste and recycling of waste products.

8. APPROACH

- The company will carry out CSR activities in communities in and around its business operations in the state of Maharashtra, Gujrat and Andhra Pradesh including location of corporate office at Mumbai. The Company on first priority will carry out community development activities for communities inhabited within the District where its business operation sites are located.
- The company may also consider reaching out to other resource constrained communities which are located in other geographies of India after studying the need and requirements of the intervention and with the prior approval of the Board of Directors.
- In the normal course majority of CSR expenditure will be spent in communities around Excel Industries business operations and presence. These initiatives shall be fairly distributed amongst various locations of Excel Industries operations. The suggestive allocation plan to various CSR projects across all locations is listed in Annexure 1.
- The company will undertake CSR activities by itself or through a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Depending upon the nature of CSR projects the Company besides engaging its associate NGOs, shall partner with other credible NGOs, local/state/national level government

bodies, panchayats, academic institutions, other corporate organizations as may be recommended by the CSR Committee and approved by the Board.

- The company shall onboard new implementing partners based on the following criteria:
 - a) Have a permanent office/address in India;
 - b) Be a registered Charitable Public Trust or Society under Societies' Registration Act or a Sec 25 Company (Registered under the Companies Act, 1956) or a Sec 8 Company (Registered under the Companies Act, 2013)
 - c) Have a track record of at least three financial years.
 - d) Have verifiable antecedents and verifiable credentials.
 - e) Maintains duly audited annual accounts.
- The implementing partners will be mandated to register themselves with the Central Government through CSR-1 form available with Registrar of Companies.
- To create sustainable impact of the developmental projects undertaken by the Company efforts will be taken to promote community participation and ownership by engaging key stakeholders of the community. Wherever possible successful community development projects will be replicated.
- The Company shall also actively participate in national development initiatives implemented through various Government schemes.
- The Company may engage Employee Volunteers in CSR activities and foster their sense of responsibility and empathy.

9. RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Board of Directors shall nominate a CSR committee which consists of three or more directors, with at least one independent director. In addition, the Board in accordance with the CSR Amendment Rules, 2021 shall:

- Mandatorily disclose the composition of CSR committee, CSR policy and CSR approved projects and CSR Report on their website.
- Monitor the implementation of ongoing projects and make modifications if needed within the approved timeline
- Ensure that the administrative overheads do not exceed 5% of the CSR expenditure for that financial year
- Satisfy that the funds disbursed have been certified by the Chief Financial Officer or the person responsible for the financial management.

10. RESPONSIBILITY OF COMMITTEE

- Design and submit CSR Annual Action Plan to the Board for its approval. The plan should specify the following:
 - a) List of CSR activities which shall be undertaken by the company. The said list shall be in alignment with Schedule VII of the Companies Act 2013.
 - b) All CSR projects including ongoing projects shall specify objectives of the project, implementation schedule which specifies targets set, timelines, and year-wise allocation of budget.
 - c) The procedures of utilization of CSR funds
 - d) Monitoring, evaluation and reporting mechanism of CSR activities.
 - e) Details of need and impact assessment of CSR projects.
- Meetings of the CSR Committee shall be convened by the Company Secretary at the request of the Chairman of the Committee. The Company Secretary shall act as the secretary of the CSR Committee and shall be responsible to record the minutes of the Meeting.
- CSR committee meetings will be held minimum for two times in a year. Quorum shall be of two members personally/electronically being present at the meeting.
- A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR Committee.
- The CSR Committee may invite any other person as they may deem fit to attend meetings of the CSR Committee when required, notwithstanding that they are not members of the CSR Committee.
- The CSR committee is required to apprise the Board of the progress of its CSR activities and solicit the Board's recommendation for strengthening the execution of CSR activities.

11. MONITORING & EVALUATION

To ensure high standards of CSR deliverables CSR Committee may adopt multiple monitoring mechanisms which may involve:

- Periodical meetings with the implementing/partnering organizations to review and revise the course of action against the deliverables set and CSR expenditure incurred.
- Periodic field visits in project areas.
- Individual and focused group discussions with beneficiaries.
- Monitoring and review through MIS and exception reports.

- Evaluation of major projects may be undertaken through beneficiary/community satisfaction surveys/studies to map project outputs and outcomes.
- Evaluation of ongoing projects shall be carried after project completion.
- The Company may voluntary conduct impact assessment on a periodic basis, either on its own or through an independent professional or professional institutions, especially on the flagship programmes.
- CSR projects and activities to be reported every year in the Annual report in accordance with the new format as prescribed in the CSR Amendment Rule, 2021.



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12. CSR BUDGET

In alignment with The Companies Act, 2013 the Board shall ensure that the Company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years.

Any income or surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company and shall be ploughed back into the same project.

Excess amount spent on CSR activities can be used to set off against the CSR expenditure in the immediate three financial years with the Board passing a resolution to that effect.

If any amount is unspent from the allocated CSR funds, then the Company shall transfer the unspent amount to a government fund mentioned in Schedule VII. If the unspent amount is from an ongoing project, the unspent amount can be transferred to the Unspent CSR Fund to be utilized in the next three financial years.

13. DISCLOSURE / REPORTING

The CSR Policy shall be displayed on the Company's website www.excelind.co.in.

An annual report on the Corporate Social Responsibility shall be included in the Board's report.

14. REVIEW / AMENDMENT



The Board may amend, abrogate, modify or revise any or all clauses of this Policy, on recommendation of the CSR Committee and in accordance with the Act and the CSR Rules.

15. APPROVAL OF CSR POLICY AND IMPLEMENTATION

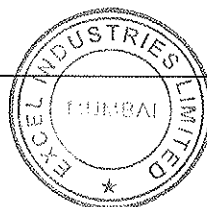
The CSR Policy has been approved by the Board at its meeting held on 26th March, 2021, on recommendation of the CSR Committee and is effective from April 1, 2021.



ANNEXURE I


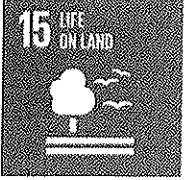

CSR Focus Areas, Activities & Suggestive Allocations

Focus Area, & SDG	Activities	Geographical Location	Implementing Agency	Suggestive Allocation of CSR Budget in %
	<ul style="list-style-type: none"> • Spreading awareness regarding water harvesting and performing initiatives to promote water conservation. • Development of drinking water facilities by improving the infrastructure in and around the villages. 			
	<ul style="list-style-type: none"> • Workshops and training centers for farmers, promoting kharif and rabi season group farming • Supporting farmers with quality seeds, fertilizers and scaling the productivity • Scaling up cultivation in abandoned farm lands and facilitation of taking crops all around the year 			

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<p>Women Empowerment-EDP</p> 	<ul style="list-style-type: none"> • Organizing income generating training programmes in the fields of beauty parlor, food processing, tailoring and grain flour mill machine • Vocational training for women to improve their computer literacy skills • Supporting entrepreneurial Women group in making value added products on commercial level 			
<p>Education</p> 	<ul style="list-style-type: none"> • Improving infrastructure of local schools. • Conduction computer aided digital learning programmes for children. • Implementing training programs under Skill India Initiative. • Conducting Career guidance and personality development programmes. 			

<p>Health</p> 	<ul style="list-style-type: none"> • Conducting various preventive healthcare checkups. • Distribution of PPE and other medical testing equipment to healthcare workers. • Setting up required health camps for the improvement in overall health of the community. 			
<p>Animal Husbandry</p> 	<ul style="list-style-type: none"> • Awareness meetings for livestock owners. • Preventive disease control drives against insects like mosquitoes. • Dissemination of information on government schemes for the benefit of cattle owners. 			
<p>Rural infrastructure development</p> 	<ul style="list-style-type: none"> • Construction and maintenance of rural infrastructure like roads, bus stops, community halls etc. 			

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Environmental conservation and sustainable development



- Planting of trees and developing biodiversity parks and other natural habitats.
- Promoting and training people on waste to manure processes.
- Raising awareness about Swachh Bharat Abhiyan or Clean India Mission and conducting drives for a cleaner India.

Ashwin C Shroff
Executive Chairman

Date: 26.03.2021
Place: Mumbai

