

## **Corporate Social Responsibility (CSR) Policy**

### 1. Concept

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Tide Water Oil Company (India) Ltd. (TWO) to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

### 2. Effective Date

This policy will come into force with effect from 1<sup>st</sup> April, 2014

### 3. CSR Committee

- i. The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee (CSR Committee) of the Board consisting of three or more directors, out of which at least one shall be an Independent Director.
- ii. The Committee, referred above, shall
  - a. Formulate and recommend to the Board the CSR Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII and any amendments thereof;
  - b. Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy;
  - c. Be responsible for implementation and monitoring of CSR projects or programmes or activities of the Company.
- iii. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy. The Annual Action Plan for the current financial year is Annexed. Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on reasonable justification to that effect.
- iv. The CSR Committee shall meet as and when deemed necessary.
- v. Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher.
- vi. The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of the Company and such other person (s) as it may consider necessary to attend the meeting.

#### 4. Activities and implementation

- i. The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013 (the Act), as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed / notified by Central or State Government, from time to time for this purpose.
- ii. The Board of Directors of the Company may on recommendation of the CSR Committee, determine / approve the projects or programmes or activities (*identified project or programme or activity*) to be undertaken by the Company under CSR initiatives, from time to time. However, the Board shall ensure that the projects or programmes or activities undertaken are related and within the broad purview of the activities as stated under Schedule VII or any other relevant provision of the Companies Act, 2013.
- iii. The minimum eligibility criteria for any project or programme or activity and / or other incidental or ancillary matters, including but not limited to quantum of proposed expenditure, shall be finalized by the Board of Directors or any delegatee thereof, on recommendation of the CSR Committee.
- iv. The modalities of execution of CSR projects or programmes or activities and implementation thereof shall be determined by the Board of Directors or its Committee (excluding any Board Committee formed for some other specific purpose, however including but not limited to Committee of Directors) from time to time, upon recommendation of the CSR Committee.
- v. The CSR Committee shall frame rules or issue directives with regard to monitoring of the CSR projects or programmes or activities.
- vi. The CSR Committee may by resolution delegate or entrust any of the function, acts, deeds or things, etc. as may be required to be performed or complied by it, whether under Companies Act, 2013 or rules made thereunder or otherwise to any person, whether in employment of the Company or otherwise, and any such function, acts, deeds or things, etc. performed by such person pursuant to such resolution shall have effect, as if the same has been performed by the Committee itself.
- vii. The Board of Directors of the Company may on the recommendation of the CSR Committee, decide to undertake CSR projects or programmes or activities through the company itself or through –

- (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 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, 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.

Provided that, in such case the provisions relating to Companies (Corporate Social Responsibility) Rules, 2014, are required to be complied with.

- viii. The Board of Directors may on recommendation of the CSR Committee decide to collaborate with other Companies for undertaking CSR projects or programmes or activities.
- ix. While undertaking CSR projects or programmes or activities preference shall be given to the local area or area of operation of the Company. Such area of operation for any identified project or programme or activity shall be finalized by the Board of Directors or any Committee thereof, upon recommendation of the CSR Committee.

## 5. Quantum of investment

- i. The Company shall spend, in every financial year, at least 2% of the average net profits of the Company made during the immediately 3 preceeding financial years. Net profit in such case will have the meaning as stated under Rule 2(f) of the Companies (Corporate Social Responsibility) Rules, 2014.
- ii. If the company fails to spend such amount, the Board shall, in its report, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year
- iii. Any amount remaining unspent, pursuant to any ongoing project, as defined under the Act, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be

opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

- iv. In case of ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- v. CSR Expenditure shall include all expenditure including corpus for projects or programmes relating to CSR activities approved by the Board on recommendation of CSR Committee. However, the same will not include expenditure on any item not in conformity or in line with the activities stated under Schedule VII of the Companies Act, 2013. Expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
- vi. CSR amount may be spent for creation or acquisition of a capital asset, which shall be held by such entity, society, beneficiary, authority, etc. as stated under Companies (Corporate Social Responsibility) Rules, 2014, as amended.
- vii. CSR projects or programmes or activities undertaken in India only shall be considered as CSR Expenditure.
- viii. Projects or programmes or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities.
- ix. Contribution of any amount directly or indirectly to any political party shall not be regarded as a CSR activity.
- x. Any expenditure incurred for building CSR capacity, whether own or that of eligible Implementing Agency, shall not exceed five percent of total CSR expenditure, in one particular financial year.
- xi. Surplus arising out of CSR projects or programmes or 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 a period of six months of the expiry of the financial year. Where a company spends an amount in excess of requirement provided under section 135(5) of the Act, such excess amount may be set off against the requirement to spend under section 135(5) up to immediate succeeding three financial years subject to the conditions as stated under Companies (Corporate Social Responsibility) Rules, 2014, as amended.

#### Allied Matters

- i. With regard to CSR activities, Boards Report to state such particulars as stated under Companies (Corporate Social Responsibility) Rules, 2014, as amended and / or Annexures forming part thereof.
- ii. The Company shall display such particulars relating to composition of the CSR Committee, CSR Policy, Projects approved by the Board and activities undertaken thereunder as stated under Companies (Corporate Social Responsibility) Rules, 2014, as amended.

Annual Action Plan for the financial year 2021-22

Estimated Prescribed CSR expenditure for 2021-22		Rs. (in lakhs)
List of CSR Projects approved		290
	Modalities of utilisation of funds	Amount Proposed (Rs. in lakhs)
Contribution towards promotion of education	Towards promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects.	140
Contribution towards research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)	For funding of various approved projects.	50
Contribution towards projects for rural development	For contributing towards Rural Development Projects	100
Total		290

Note:

1. All the aforesaid projects are monitored by the CSR Committee of the Board of Directors. Progress of the projects are reported on quarterly basis to the CSR Committee.
2. Details of need and impact assessment of the aforesaid projects are not required since the average CSR obligation of the Company for the preceding 3 years is below the specified threshold limit.
3. All the projects will be executed through approved organization / body.
4. Implementation schedules will depend on the nature of the projects undertaken.

**Identified Document No. 3/2021**  
 CSR Committee Resolution Passed by Circulation  
 on 16<sup>th</sup> March, 2021

Chairperson CSR Committee : *Nand R. Khanna*  
 (Signature)

# TIDE WATER OIL CO. (INDIA) LTD.

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CIN : L23209WB1921PLC004357

An ISO 9001:2015 Company

Extract of the resolution passed in the 330th Meeting of the Board of Directors of Tide Water Oil Co. (India) Ltd. held at the Registered Office of the Company, 'Yule House', 8, Dr. Rajendra Prasad Sarani, Kolkata – 700001 on 10th June, 2021 (Thursday)


Time of Commencement: 11:30 a.m.

Time of Conclusion: 04.00 p.m.

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- Annual  
Action Plan
- 25 On consideration of the above and in line with the recommendation of the CSR Committee, the Board resolved to modify the Annual Action Plan for the year 2021-22 by inclusion of provision relating to contribution / expenditure for any other project / activity(ies) permitted under Schedule VII of the Companies Act, 2013 for the purpose of CSR initiatives of the Company and also to make the proposed amounts which had been earmarked for various projects, interchangeable in nature for factoring in such inclusion and to put up this modification in Annual Action Plan in the website of the Company.

**CERTIFIED TRUE COPY**

TIDE WATER OIL CO. (I) LTD.

 Secretary