

CORPORATE SOCIAL RESPONSIBILITY POLICY

TIMES GUARANTY LIMITED

OBJECTIVE

Our CSR Policy aims to develop and implement a long-term vision and strategy for CSR initiatives including formulating, relevant potential CSR activities, their timely and expeditious implementation and establishing an overview mechanism of the activities undertaken / to be undertaken, in synchronization with the various eligible activities prescribed under Schedule VII of the Act. This Policy has been approved by the Board of Directors of the Company at its meeting held on 10th February, 2022.

COMPOSITION OF THE CSR COMMITTEE

The CSR Committee is constituted by the Board as per the requirement of the Act and rules made thereunder, as amended from time to time.

RESPONSIBILITIES OF THE CSR COMMITTEE

- ❖ Formulating and recommending to the Board of Directors the CSR Policy;
- ❖ Recommending the amount of expenditure to be spent on the CSR activities to be undertaken by the Company in any year / block of years and the amount to be transferred in case of ongoing projects (if any) and corresponding unspent amounts;
- ❖ Formulating and recommending to the Board, an Annual Action Plan in pursuance of its CSR policy, which shall include the following, viz.:
 - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - the manner of execution of such projects or programmes;
 - the modalities of utilisation of funds and implementation schedules for the Provided projects or programmes;
 - monitoring and reporting mechanism for the projects or programmes; and
 - details of need and impact assessment, if any, for the projects undertaken by the company.
- ❖ Approving specific projects, either new or ongoing, in pursuance of the CSR Policy and the Annual Action Plan;
- ❖ Recommending to the Board any alteration in the Annual Action Plan approved by the Board along with reasonable justification.
- ❖ Monitoring, reviewing the progress of the CSR initiatives undertaken and reporting of the CSR activities to the Board from time to time;
- ❖ Satisfying the Board on the utilization of the funds disbursed for the purpose and in the manner approved by it;
- ❖ Reviewing and recommending to the Board, the Annual Report on CSR activities to be included in the Board's report and certificate submitted by the Chief Financial Officer.
- ❖ Reviewing and recommending to the Board, the need for impact assessment of the

projects and appointment of impact assessment agency and the impact assessment report to be obtained by the Company from time to time.

- ❖ Undertaking such activities and carrying out such functions as may be provided under section 135 of the Act and the rules issued thereunder.

CSR SPEND

The Company shall endeavor to spend at least 2% of the average net profit of the Company made during the 3 immediately preceding financial years on CSR activities, projects and programs as mentioned in Appendix 1.

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, within a period of six months of the expiry of the financial year.

The Board shall satisfy that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to the effect.

CSR ACTIVITIES

- ❖ The Board shall ensure that the CSR Activities that are undertaken by the Company will cover the areas / activities specified in Schedule VII of the Act, read with CSR Rules as amended from time to time, and as appended to this Policy as Appendix-1 .

The said Appendix 1 may be revised in line with any amendments/inclusions/exclusions made to Schedule VII of the Act by the Government from time to time.

- ❖ The CSR Activities will be carried out in a manner that the preference will be to undertake the CSR Activities in and around the local areas where the Company operates or has its presence.
- ❖ Based on the scope of activities set out in Appendix 1 above, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.
- ❖ In case any of the CSR Activities to be undertaken are anticipated to be long term, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.
- ❖ Based on the recommendations of the CSR Committee, the Board shall approve the following:

- The specific CSR Activities that should be undertaken by the Company from time to time;
- The amount that should be deployed towards such CSR Activity;
- Whether the CSR Activities will be undertaken directly by the Company or through an Implementing Agency or in collaboration with any other companies and record reasons for the same.

EXCLUSIONS FROM CSR

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

- ❖ activities undertaken in pursuance of normal course of business of the company;
- ❖ any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- ❖ contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- ❖ activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- ❖ activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- ❖ activities carried out for fulfilment of any other statutory obligations under any law in force in India;

IMPLEMENTATION OF THE CSR POLICY

- ❖ The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules through one or more of the following instrumentalities:
 - i. directly by the Company itself;
 - ii. 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, established by the company, either singly or along with any other company
 - iii. 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;
 - iv. any entity established under an Act of Parliament or a State legislature;
 - v. 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;

- ❖ In case of ongoing project, the Board of a Company 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

MONITORING PROCESS

- ❖ To ensure that the objectives of CSR Policy are being met in an efficient and effective manner, the utilisation of the amount disbursed towards CSR Activities should be reported by the CSR Committee on an annual basis in such manner as the Board may direct.
- ❖ In the event any of the CSR Activities are undertaken through an Implementing Agency, the CSR Committee should obtain relevant information from the Implementing Agency and ensure that the progress on such CSR Activity is submitted to the Board on an annual basis in such manner as the Board may direct.
- ❖ The CSR Committee shall be responsible for the process of Impact Assessment (IA) of the projects of the Company including deciding the frequency/manner of conducting IA, appointment of IA Agency and placing the IA Report to the Board for its noting and approval. The outcome of impact assessment and progress reports submitted, will be taken into consideration while engaging the implementation agencies for subsequent CSR projects and programmes and while finalizing the annual action plan for the subsequent year.
- ❖ Where the CSR amount spent results or resulted in creation or acquisition of capital asset, the Company shall confirm to the CSR Committee about the entity holding the capital asset in accordance with the Rules

REPORTING/RECORD KEEPING & DISCLOSURES

- ❖ The CSR Committee shall maintain proper minutes of all its meetings.
- ❖ The Board's report of the Company shall include an annual report on CSR containing the particulars as may be prescribed from time to time under the Act and the CSR Rules.
- ❖ The Board will be responsible to ensure that:
 - The Board's report includes the annual report on CSR Activities of the Company and sets out the requisite information in terms of the Act and CSR Rules;
 - The contents of the latest and updated version of the CSR Policy is included in the Board's report;
 - The contents of such policy are also made available on the website (if any) of the Company in terms of the Act and CSR Rules.

- In case of failure to ensure the minimum CSR Expenditure, detailed reasons for the same are adequately disclosed in the Board's Report and unless the unspent amount relates to any ongoing project, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

DISCLOSURES

The Board's Report of the Company shall include a section on CSR outlining the Company's CSR Policy, CSR Committee, CSR Initiatives undertaken by Company, the CSR spend during the financial year and other information as required/prescribed under the Act and CSR Rules.

AMENDMENT TO THE POLICY

Amendments, from time to time to the Policy, if any, shall be considered by the Board on the recommendation of the CSR Committee.

Appendix 1

- i. Eradicating hunger, poverty and malnutrition, promoting health care including 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;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v. 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;
- vi. 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;
- vii. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or 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 schedule caste, tribes, other backward classes, minorities and women;
- ix. (a) 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; and

- ix. (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under 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).]
- x. rural development projects;
- xi. Slum area development. [*For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.*]
- xii. disaster management, including relief, rehabilitation and reconstruction activities

NOTE:

In undertaking any CSR projects/programs/activities, the Company shall ensure to give preference to the area and areas around which it operates.