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# **CORPORATE SOCIAL RESPONSIBILITY POLICY**

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**CRIMSUN ORGANICS ORIVATE LIMITED**

CIN: U24299TN2016PTC111396 | Website: [www.crimsunorganics.com](http://www.crimsunorganics.com) | Telephone: 04142-239777  
Registered office: C- 9, C-10 & C-11, Sipcot Industrial Complex, Cuddalore, Kudikadu, Tamil Nadu - 607005



## **CSR BACKGROUND AND PHILOSOPHY**

CSR policy of Crimsun Organics Private Limited (COPL) has been formally adopted in accordance with the applicability of the Corporate Social Responsibility provisions under the Companies Act, 2013, effective from the current financial year.

COPL endeavours to excel as a responsible corporate company by working on both internal and external dynamics of the communities. COPL's CSR activities reflect its commitment to create an impact on communities through every project it undertakes. COPL firmly believes that in order to succeed, an organization must maintain highest standards of corporate discipline towards all its stakeholders and society.

## **CSR VISION**

To actively contribute to the social, cultural and economic development of the communities by providing sustainable solutions.

## **FUNCTIONS OF THE BOARD OF DIRECTORS**

The Board will:

1. Frame, govern and review COPL's CSR policy periodically.
2. Formulate and approve an Annual CSR plan and Budget.
3. Conduct a half-yearly review on the execution of the projects and its achievement against the annual project plans.
4. Recommend ways to execute the projects more efficiently.
5. Ensure to disclose the contents of such policy on the website and in the Annual Report in the manner prescribed under the Companies Act, 2013.
6. Ensure to spend the allocated CSR amount on the CSR activities in accordance with the Act and the CSR Rules.

The Board may constitute CSR Committee, if required, in pursuance of the provisions of Section 135 of Companies Act, 2013 and delegate aforesaid functions to the Committee.

## **FOCUS AREAS OF ENGAGEMENT**

The Scope of activities / focus areas shall be in accordance with the activities mentioned in the Schedule VII of the Companies Act, 2013.

- A. The Company shall undertake such activities which are broadly related to any of the following:
  - a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation
  - b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.



- c) 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.
  - d) 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.
  - e) 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 art and handicrafts;
  - f) 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;
  - g) Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports viii. Rural development projects
  - h) Development of area declared as “slum area” by the Government or Competent Authority.
  - i) Disaster management, including relief, rehabilitation and reconstruction activities.
- B. The Company may also contribute to the following funds as part of CSR activities:
- a) Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
  - b) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
  - c) 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;
  - d) 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;
  - e) 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 Defence 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).

## **IMPLEMENTATION STRATEGY**

COPL will implement its CSR projects for social, cultural and economic upliftment of the communities through;

1. Direct Engagement – Most initiatives will be conceptualized and executed directly through a team of its professionals.
2. Partnerships/Collaborations – In addition to its direct engagement, in some specific projects COPL will partner/collaborate with other organizations who have technical expertise and experience to undertake its various projects in the identified focus areas to attain the maximum outcome.
3. The Board may appoint implementing agencies for CSR activities and shall allocate funds for the same. The Board shall ensure that CSR funds are duly spent on CSR activities as specified under Schedule VII and any subsequent amendment thereof and report on the modalities of utilization of funds.
4. 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, and having an established track record of at least three years in undertaking similar activities.

## **FUNDING AND ALLOCATION**

1. COPL shall allocate at least 2% of its average net profits of the company made during the 3 immediately preceding financial years, in its CSR projects to sustain and improve a healthy and prosperous environment and to improve the quality of life of the communities it serves.
2. COPL may also utilize its products and services as suitable for its CSR activities. Any surpluses arising out of CSR projects or programmes or activities shall be re-deployed back into CSR activities and will not form a part of the business profits of the company.
3. In case at least 2% of average net profit of the last 3 years is not spent in a financial year, reasons for the same to be specified in the CSR report, and unless the unspent amount relates to any ongoing project referred to in sub-section (6) of Section 135 of the Companies Act, 2013, transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
4. Any amount remaining unspent under sub-section (5) of Section 135 of the Companies Act, 2013, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, 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.

### **MONITORING, REVIEW AND EVALUATION**

COPL will frame a transparent monitoring mechanism for ensuring effective implementation of its CSR projects. All expenditures incurred and progress of the projects shall be diligently documented. Monitoring mechanisms will include visits, meetings and review of half-yearly progress reports on the CSR initiatives undertaken.

### **AMENDMENTS TO THE POLICY**

The Board on its own and/ or as per the recommendations of CSR Committee can amend this Policy, as and when required. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the provisions of the Act thereunder on the subject, from time to time. Further any subsequent amendment/modification in the Companies Act and/or any other laws in this regard shall automatically apply to this Policy.