



CHAUDHARY TIMBER INDUSTRIES PVT. LTD.

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

Of

**CHAUDHARY TIMBER INDUSTRIES PRIVATE
LIMITED (CIN - U36100DL2007PTC161558)**

**Reg office. - RZ-20, Amar Colony
Main Rohtak Road, Nangloi,
New Delhi - 110041**

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CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. TITLE AND APPLICABILITY

- This document describes the Corporate Social Responsibility Policy (“CSR policy”) of Chaudhary Timber Industries Private Limited CIN - U36100DL2007PTC161558. (“CTIPL” or “the company”). It includes CTIPL’s vision, mission and other relevant attributes of Corporate Social Responsibility.
- The CSR policy shall be guided by CTIPL’s corporate philosophy of respect for the individual and the society at large.
- The CSR policy has been formulated in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the relevant amendments / notifications / circulars.
- The CSR policy shall apply to all CSR programs of CTIPL.

2. VISION AND MISSION

CTIPL is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various concerns including but not limited to road safety, healthcare, environmental sustainability, promoting education, promoting sports and other rural development activities.

In pursuance of our vision that CTIPL desires to be a ‘Company which society wants to exist’, we are dedicated towards fulfilling the social objectives through various CSR activities. The Company shall make its endeavor to positively impact and influence the Society for its sustainable development.

3. PURPOSE

The Companies Act, 2013 has brought greater emphasis on CSR with rules that provide guidance on minimum CSR spend, focus areas, implementation mechanism and reporting to the shareholders of the company.

CTIPL CSR Policy has been designed keeping in view the company’s business vision, its CSR vision and long-term social objectives that the company wants to achieve. CTIPL CSR Policy has been created with the purpose to outline its CSR focus areas,

review mechanism, execution process, mode of expenditure and reporting mechanism.

4. RESPONSIBILITY OF THE BOARD OF DIRECTORS

The responsibility of the Board of Directors shall be as under:

- a) To approve the CSR Policy as recommended by the CSR committee & disclose the contents of such policy in its report and place it on the Company's website;
- b) Ensure that the activities proposed in the CSR Policy are undertaken;
- c) Ensure that the company spends, in every financial year, at least 2% of average net profits of the company made during the 3 immediately preceding financial years, as required under Section 135 of the Companies Act, 2013 & Rules made thereunder;
- d) If company fails to spend the sum as mentioned above, then the Board shall, in its Report specify the reasons for not spending the amount and shall transfer such unspent amount in accordance with the provisions of Companies Act, 2013.

5. CSR COMMITTEE

5.1. CONSTITUTION OF CSR COMMITTEE

A Corporate Social Responsibility Committee ("the CSR Committee") has been constituted by the Board of Directors to oversee the CSR agenda of the Company. The committee has been formed as per the requirements of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

The Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee. There shall be minimum two members in the CSR committee.

The composition of CSR Committee shall be disclosed in the Board of Directors' Report every year and on the website of the company.

The CSR Committee consists of following two members:

- 1) Vishal Nijhawan, Director (DIN – 01102624)
- 2) Sunil Nijhawan, Director (DIN – 01162337)

5.2. RESPONSIBILITIES OF THE CSR COMMITTEE

- a) To formulate & recommend to the Board of Directors, a CSR Policy indicating the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013 and modify / amend the same as and when required;
- b) To review and recommend the annual budgets with respect to CSR programs to the Board of Directors of the Company;
- c) The CSR Committee shall formulate and recommend an annual action plan to the Board in pursuance of CTIPL CSR policy, which shall include the following:
 - 1) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
 - 2) the manner of execution of such projects or programs.
 - 3) the modalities of utilization of funds and implementation schedules for the projects or programs.
 - 4) monitoring and reporting mechanism for the projects or programs.
 - 5) details of need and impact assessment, if any, for the projects undertaken by the Company.
- d) To ensure that CTIPL corporate website <http://www.chaudharytimber.in/> displays the approved CSR policy of the company;
- e) To monitor the CSR Policy, Projects and Programs from time to time.

5.3. MEETINGS OF CSR COMMITTEE

The CSR Committee shall meet at least once in a financial year. The meeting shall be held either at the registered office of the company or any other place, as may be decided by the members of the committee.

Physical presence of a minimum two members of the committee shall constitute the quorum.

5.4. NOTICE OF MEETING

At least seven days' notice of every meeting, specifying the day, date, time and place of Meeting and the general nature of the business to be transacted there at shall be given to the members. In urgency, a meeting may be convened at a shorter notice.

In case a meeting is convened on shorter notice the same shall be recorded in the Minutes of the meeting.

6. AREAS OF CSR ACTIVITIES

The Company is hereby devoted to direct its CSR resources, to a reasonable extent, for improving the quality of life of the people by focusing on the social causes, including but not limited to the following areas:

- a) 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;
- 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, including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- e) 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 Scheduled Castes, the Scheduled Tribes, and other backward classes, minorities and women;
- f) Any other activity/program/projects, funds as may be specified in Schedule VII of The Companies Act, 2013.

EXCLUSIONS:

Following activities shall be excluded from the CSR expenditure of CTIPL:

- a) Activities undertaken in pursuance of normal course of business of the Company;

- b) Any activities 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;
- c) Direct or indirect contribution to political parties;
- d) Activities which are exclusively for the benefit of employees of the company or their family members;
- e) Activities supported by the Companies on sponsorship basis for deriving marketing benefits for its products or services;
- f) Activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- g) Expenditure on item/s not in conformity with Schedule VII of the Companies Act 2013;

Any Surplus arising out of CSR projects shall not form part of the business profits of Company instead the same will be further used for CSR purposes only.

7. GEOGRAPHIES AND BENEFICIARIES

7.1. GEOGRAPHIES

CTIPL will give preference to the local areas around its operations for spending the amount earmarked for CSR activities. CTIPL's operations are mainly concentrated in the following areas:

- NCT of Delhi.
- State of Haryana.
- State of Gujarat.
- CTIPL may undertake CSR activities in any other area in India as may be decided, from time to time.

7.2. BENEFICIARIES

The beneficiaries of CTIPL's CSR programs may be the following categories of people:

- Children / students;
- Women;
- Weaker sections of the society;
- Others – society at large.

8. IMPLEMENTATION MECHANISM

The Board shall ensure that the CSR activities are undertaken by the company itself or through –

- 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) 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.

Explanation: - For the purpose of clause (c), the term “entity” shall mean a statutory body constituted under an Act of Parliament or State legislature to undertake activities covered in Schedule VII of the Act.

The registered entity which is undertaking CSR activities on the behalf of company should have CSR Registration Number.

A Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with CSR Rules.

The progress will be reported to the CSR Committee during the committee meetings. The progress on CSR programs undertaken by the Company will be reported in the Annual Report in the format as prescribed under Companies Act, 2013.

9. MONITORING OF CSR PROGRAMS

All projects undertaken by CTIPL shall be monitored on a regular basis. The CTIPL CSR committee monitor the financial and programmatic progress of CSR projects. The CSR committee shall be empowered to appoint an external third party to monitor / review / audit the progress (financial and programmatic) of the CSR projects.

10. EFFECTIVE DATE

The CSR Policy shall be effective from the date of its approval by the Board of Directors.

11. AMENDMENTS TO THE CSR POLICY

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision in the Policy shall be approved by the Board of Directors.

Any provisions which are not mentioned in the CSR policy of CTIPL shall be referred from the applicable provisions of the Companies Act, 2013.

**REVISED CSR POLICY APPROVED BY THE BOARD OF DIRECTORS ON THIS
1st DAY OF MARCH, 2023 AT NEW DELHI**

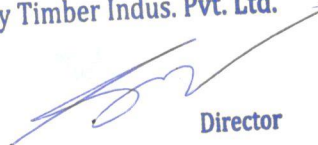
**For and on behalf of
Chaudhary Timber Industries Private Limited**

For Chaudhary Timber Indus. Pvt. Ltd. For Chaudhary Timber Indus. Pvt. Ltd.



Director

**Vishal Nijhawan
Director
DIN: 01102624**



Director

**Sunil Nijhawan
Director
DIN: 01162337**