



PRIVI SPECIALITY CHEMICALS LIMITED

(Formerly known as Fairchem Speciality Limited)

(CIN: L15140MH1985PLC286828)

**Regd Off: Privi House, A-71, TTC, Near Koparkhiarne Railway Station,
Navi Mumbai - 400709**

DRAFT CORPORATE SOCIAL RESPONSIBILIY POLICY

**(Revised by the Board at its meeting held on Friday, May 14,
2021)**

1. Adopted by the Board of Directors at its meeting held on November 05, 2020.
2. Revised Version 1.1 adopted by the Board of Directors at its meeting held on Friday May 14, 2021

Corporate Social Responsibility Policy

Privi Speciality Chemicals Limited (Formerly known as Fairchem Speciality Limited) is dedicated to the cause of social development. Through our Corporate Social Responsibility (CSR) initiatives, Privi is committed to bring positive and sustainable change in the lives of people living in the vicinity of our manufacturing facilities and administrative offices. We strive to attain sustainable development of society by active engagement with community and capability development of people. We attain this by providing direct benefit to the concern, making people self-reliant, focus on grass-root issues of community, empowerment, training and guidance, and facilitative support.

All projects are identified as per the prevalent needs of the society. Primarily we focus on areas such as Education, Health Care, and Environment Sustainability.

Education

Education is fundamental to the growth of human beings. Education augments means of livelihood and quality of life. Our CSR initiatives in the area of education focuses on access to quality education, aid & incentives, quality learning aids and instruments, value building, encouraging continuous education for children from underprivileged families, vocational and livelihood guidance, empowerment through education.

Health Care

Health & wellness is pivotal for building strong community & subsequently strong country. Our health care initiatives are interventions for building more productive and strong community. Due to deficient health care facilities people just not loose days and month of employment but in an extreme case even loose life. We aim at providing basic health care facilities through active intervention, maternal and infant care, child care, cataract operation and eye-check up, health check-up and hygiene and wellness camps, wellness facilities, good sanitization facilities, quality of life interventions.

Environment Sustainability

Environment sustainability initiatives are focused on conserving environment and providing environmentally sustainable facilities to the community. We partner with community for making clean and hygienic habitat for people, providing clean and safe drinking water, providing alternate resources for energy, and maintaining ecosystem.

Organization Mechanism and responsibilities

The Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility Committee was re-constituted by the Board of Directors at their meeting held on August 12, 2020. Currently following Directors are the committee members;

- Ms. Anuradha Thakur : Chairperson
- Mr. Anurag Surana : Member
- Mr. Rajesh Budhrani : Member
- Mr. D B Rao : Member

Implementation and monitoring committee

Internal CSR committee will work under the guidance of The Corporate Social Responsibility Committee. The Internal CSR committee constitute following people;

- Mr. S. B. Pathare : Sr. VP Operations
- Mr. Ram Surve : VP – HR
- Mr. Ramesh Kathuria : Company Secretary

Information Dissemination

The CSR policy shall be displayed on the company's website. CSR activities and reports shall also be displayed on the company's website from time to time.

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access

CSR Budget & Expenditure

A specific budget is allocated for CSR activities based on the requirement of Section 135 of the Companies Act, 2013 and as approved by the CSR Committee and the Board.

The CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Company's Act.

The surplus if any, arising out of the CSR projects or programs or activities shall not form part of the business profit of a company. It shall be utilized towards the eligible CSR Activities / addressed in accordance with Applicable Laws.

The expenses related to general management and administration for carrying out CSR functions/CSR activities are called as Administrative Overheads but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company in a financial year.

Amount remaining unspent at the end of the financial year, if any, except in case of an ongoing project, shall be transferred to a Fund as may be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.

If the Company spends an amount in excess of the eligible CSR amount provided under sub-section (5) of Section 135 of the Companies Act 2013, such excess amount may be set off against the eligible CSR amount required to be spent under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities and the Board of the Company shall pass a resolution to that effect.

The CSR amount, if spent by the Company for creation or acquisition of a capital asset, shall be held by –

- a Company established under Section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number as discussed above, or

- beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- a public authority

In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.

where Ongoing Project means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

Approval of CSR activities

The CSR Activities to be undertaken by the Company under the Policy shall be approved by way of Annual Action Plan by the Board on the recommendation of the CSR Committee.

The Annual Action Plan shall, inter alia, contain the following information with respect to the CSR Activity proposed to be undertaken by the Company:

- i list of CSR Activities to be undertaken in the relevant financial year;
- ii local area where the CSR Activities are to be undertaken;
- iii manner of execution;
- iv modalities of utilisation of funds;
- v implementation schedule;
- vi monitoring and reporting mechanism; and
- vii details of need and impact assessment, if any.

The Board on the recommendation of the CSR Committee shall be the absolute authority to update, alter, modify, amend, withdraw and replace the Annual Action Plan for justified reasons.

Management Commitment

Our Board of Directors, our Management and all of our Employees subscribe to the philosophy of Social Welfare with active engagement in the causes we support and endorse. We passionately believe to bring about positive development amongst underserved community.

Our Corporate Social responsibility policy confirms to Section 135 of the Companies Act 2013, on Corporate Social Responsibility (CSR).

Amendments to the Corporate Social Responsibility Policy:

The Board as per the recommendations of CSR Committee can amend this policy, as deemed fit from time to time.

