

CORPORATE SOCIAL RESPONSINBILITY **[CSR] POLICY**

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]



Laser Power & Infra Limited

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1. Preamble and Vision

Laser Power & Infra Limited (hereinafter referred to as “the Company”) ensuring compliance with the provisions of Section 135 of the Companies Act, 2013, read along with Schedule VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time and is committed to conducting its business in a socially responsible and ethical manner and has always strived for adopting socially inclusive and sustainable way of doing business. We believe in contributing to the sustainable development of Society and the environment. This Corporate Social Responsibility (CSR) Policy outlines the Company’s commitment to its stakeholders and the broader community.

The CSR Committee’s vision is to be a responsible corporate citizen, contributing to the well-being of society and fostering sustainable development through impactful and inclusive CSR initiatives.

2. Definitions

In this Policy, the following definitions of the terms used shall be applicable, unless the context requires otherwise.

“**Act**” means the Companies Act, 2013 and its subsequent amendments, if any.

“**Administrative Overheads**” means the expenses incurred by the Company for ‘general management and administration of Corporate Social Responsibility functions. However, it shall not include the expenses that are directly incurred towards the designing, implementation, monitoring and evaluation of a particular CSR project or programme.

“**Annexure**” means the Annexures appended to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

“**Corporate Social Responsibility (CSR)**” means the “CSR Programme”, undertaken by the Company, in pursuance of its statutory obligations laid down in section 135 of the Act in accordance with the provisions contained in the Rules, but shall not include the following:

- Activities that are undertaken in pursuance of the normal course of business of the Company. Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-

- a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
 - b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- 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;

“CSR Annual Action Plan” means the list of “CSR programmes” proposed to be undertaken by the Company in a financial year as per its CSR Policy in the areas or subject specified in the Schedule VII of the Act.

“CSR Committee” or “CSRC” means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act.

“CSR Policy” means this Policy document, containing the approach and directions statement given by the Board of the Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for the selection, implementation and monitoring of the CSR projects or programmes or activities as well as the formulation of the ‘CSR Annual Action Plan’.

“CSR Programme” means any CSR projects or programmes or activities, undertaken by the Company as per its CSR Policy, that are in line with the activities in the areas or subjects as specified in the Schedule VII of the Act, as amended.

“CSR Programme Cost” means the expenditure incurred directly towards the designing, implementation, monitoring and evaluation of a particular CSR project or programme.

“International Organisation” means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply.

“Net profit” means the net profit of the Company as per its financial statement prepared following the provisions of Section 198 of the Act, but shall not include the following:

- Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise;
- Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act.

“Ongoing Project” means a multi-year project undertaken by the 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 any 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.

“Public Authority” means ‘Public Authority’ as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005).

“Rules” means the Companies (Corporate Social Responsibility Policy) Rules, 2014 and its subsequent amendments.

“Section” means a section of the Act.

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

3. Objective

- a) To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- b) To take up programmes that benefit the communities over a period of time, results in enhancing the quality of life of the people in the area of its business operations.
- c) To generate a community goodwill for Company and help reinforce a positive and socially responsible image of the Company as a good corporate citizen of the Country.

4. CSR Committee

4.1. Composition:

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors shall constitute a **Corporate Social Responsibility Committee** (hereinafter referred to as “the CSR Committee”). The Committee shall comprise three or more Directors, out of which at least One Director shall be an Independent Director.

4.2. Frequency of Meetings:

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.

4.3 Quorum:

The quorum for a meeting of the Committee on CSR shall be two members.

4.4 Chairman:

In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

4.5 Role of CSR Committee:

The role of the CSR Committee is:

- a) To formulate and recommend to the Board, a **Corporate Social Responsibility Policy** which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Section 135 of the Companies Act 2013.
- b) To recommend the amount of expenditure to be incurred on the specified activities in a financial year.
- c) To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- d) To formulate and recommend to the Board, an Annual CSR Action Plan in pursuance of its CSR Policy.
- e) To recommend the Board to alter the Annual CSR Action Plan at any time during the financial year based on the reasonable justification to that effect.
- f) Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

Where the amount to be spent by the Company under sub-section (5) of section 135 does not exceed fifty lakh rupees, the Board is not required to constitute the CSR Committee of the Company and in such situation, the functions of such Committee, as required under that section read with the CSR Rules, will be discharged by the Board.

5. Responsibilities of the Board

- a) The Board of Directors shall, after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the Company.
- b) Ensure that the activities as are included in the Corporate Social Responsibility Policy of the Company are undertaken by the Company.

- c) The Board of Directors shall endeavour that the Company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its CSR Policy.
- d) if the Company fails to spend such amount as specified above, then in its report made under clause (o) of sub-section (3) of section 134 of the Act, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project referred to in sub-section (6) of section 135 of the Act, transfer such unspent amount to a Fund specified in Schedule VII to the Act, within a period of six months of the expiry of the financial year.
- e) if any amount remaining unspent under sub-section (5) of section 135 pursuant to any ongoing project, transfer 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 CSR 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.
- f) discharge the functions of the CSR Committee in case it is not required to be constituted or dissolved owing to the amount to be spent by the Company under sub-section (5) of section 135 not exceeding fifty lakh rupees.
- g) The Board of Directors of the Company shall disclose the content of the CSR Policy on their website for public access.
- h) The Board shall ensure that the CSR activities are undertaken by the Company itself or through a registered and eligible Implementation Agency.
- i) The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it.
- j) In case of ongoing project, 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;
- k) Pass a resolution for setting off the CSR amount spent in excess of requirement provided under sub-section (5) of section 135, against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years;
- l) make disclosures in the Board's Report as required under Rule 8 of the CSR Rules.

- m) Undertake impact assessment as required under Rule 8 of the CSR Rules and take note of the impact assessment reports which are mandatorily required to be placed before it; and
- n) The Board may alter the CSR Policy, in compliance with Section 135 of the Companies Act, 2013 ("the Act") read along with Schedule VII & the applicable rules thereto, at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.

6. Focus Areas for CSR Activities

The Company shall undertake any of the activities or such other activities as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR") as per Schedule VII of the Act, 2013 as amended from time to time and approved by the Committee excluding activities undertaken in pursuance of the normal course of business of a Company.

The Company recognizes its responsibility toward society and aims to contribute to sustainable development by addressing various social, economic, and environmental challenges. Its CSR efforts will primarily focus on areas that create a meaningful impact on communities, with a preference given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

- i. One of the key areas of focus will be the eradication of hunger, poverty, and malnutrition by providing essential nutrition and promoting initiatives that enhance food security. Additionally, the company will contribute to healthcare and sanitation projects, ensuring better medical access, disease prevention, and improved hygiene standards, including efforts to provide clean drinking water to underprivileged communities.
- ii. Education is another crucial pillar of the company's CSR activities. The company will support initiatives that promote primary, secondary, and vocational education, with special attention to differently-abled individuals, women, the elderly, and economically disadvantaged children. Programs aimed at skill development and capacity-building will be encouraged to enhance employability and economic independence.
- iii. Recognizing the importance of gender equality and women's empowerment, the company will actively promote initiatives that support female entrepreneurship, financial literacy, and employment opportunities for marginalized groups. These efforts will help foster an inclusive and diverse workforce while uplifting communities through self-sustaining models of growth.
- iv. Environmental sustainability will remain a core component of the company's CSR strategy. Initiatives will be undertaken to promote ecological balance, conserve natural resources, and improve air, soil, and water quality. Efforts such as afforestation, waste

management, renewable energy adoption, and awareness campaigns on environmental conservation will be encouraged.

- v. Additionally, the company values the importance of preserving national heritage, art, and culture. It will support the restoration of heritage sites, the promotion of traditional arts, and the encouragement of indigenous crafts to sustain cultural diversity and historical richness.
- vi. In acknowledgment of the sacrifices made by the armed forces, the company will extend its support to the welfare of veterans, war widows, and their dependents by contributing to relevant programs that enhance their quality of life.
- vii. The company will also promote sports by encouraging participation in rural and nationally recognized sports, as well as supporting athletes in Paralympic and Olympic disciplines. Sports development initiatives will include infrastructure support, training programs, and scholarships for talented individuals.
- viii. Furthermore, the company will contribute to relief funds such as the Prime Minister's National Relief Fund and other government-designated initiatives that aim to address socio-economic challenges and provide disaster relief.
- ix. Rural development projects will be undertaken to enhance infrastructure, livelihood opportunities, and essential services in underdeveloped areas. Urban slum improvement projects will also be prioritized to provide better living conditions, sanitation, healthcare, and education facilities to economically weaker sections of society.

Through these CSR initiatives, the company aims to drive positive societal change, foster sustainable development, and create lasting impact by improving the quality of life for diverse communities across India.

7. CSR Expenditure

7.1. Amount:

The Company shall endeavour to spend in every financial year at **least Two (2) per cent** of the average net profits of the Company made during the **Three (3) immediately preceding financial years**, in pursuance of its CSR Policy.

7.2. Treatment of Surplus:

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and annual action plan of the Company or transferred to a Fund specified in Schedule VII, within a period of thirty days of the end of the financial year.



7.3. Unspent CSR Amount:

Any unspent CSR amount relating to an **Ongoing project** shall be transferred to a separate "**Unspent CSR Account**" within 30 days from the end of the financial year and spent within Three (3) financial years from the date of such transfer. If the Company fails to spend the amount within the said period, the amount shall be transferred to a fund specified in Schedule VII of the Act, within Thirty days (30) from the date of completion of the third financial year.

The Unspent CSR amount relating to any Project **other than Ongoing Project** shall be transferred to such Fund as may be specified in Schedule VII to the Act and recommended by the Board, within a period of 6 (six) Months of the expiry of the respective financial Year.

7.4 Excess CSR spends:

In case, if the Company spends any amount in excess of the prescribed CSR spends in a financial year, then the same can be set off against the prescribed CSR spent in the immediately three succeeding financial years, provided that the excess amount spent / 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.

7.5. Administrative Overheads:

The administrative overheads shall not exceed **Five (5)** percent of the total CSR expenditure of the company for the financial year.

7.6 Expenditure not Qualifying as CSR:

The amounts spent in pursuance of any business obligation of the Company or in normal course of business of the Company or for the sole benefits of employees and/or their families shall not be treated as expenditure incurred towards CSR obligations. Also, The CSR activities are undertaken in India only shall amount to CSR Expenditure.

8. Implementation Mechanism

The Company shall implement and ensure that the CSR activities are undertaken by the Company itself or through–

- 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
- 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
- any entity established under an Act of Parliament or a State legislature; or In collaboration with other companies; or

- 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.

The Company shall ensure that the implementing agency has a valid CSR registration number.

9. Monitoring and Reporting

Monitoring:

- a) To ensure effective implementation of the CSR programmes undertaken at various locations, a monitoring and evaluation mechanism will be put in place.
- b) The Committee shall review and discuss the progress of each Project undertaken including spending thereon and make any decision including allocation/ reallocation of funds, with respect to the Project which it thinks fit and recommend the same to the Board of Directors for approval.

Reporting:

- a) The Board's Report shall include an Annual Report on CSR activities in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- b) The Company shall display its CSR Policy on its website.

10. General

- a) The CSR Committee shall have the power to clarify any doubts or difficulties that may arise in the interpretation or implementation of this Policy.
- b) The Board of Directors reserves the right to amend, modify, or supersede this Policy, in whole or in part, at any time, in consonance with the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- c) This Policy shall be reviewed periodically by the CSR Committee and the Board.

11. Disclosure of the Policy

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well.