

Star Delta Transformers Limited

CSR POLICY

Objective

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society and also to strive for economic development that positively impacts the society at large with a minimal resource footprint.

Approach

In the aforesaid backdrop, policy on CSR of the Company is broadly framed taking into account the following measures:

The CSR activities shall be undertaken as stated in this Policy, excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Company's employees or their family members shall not be considered as CSR activity.

Company shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The CSR projects or programs which Company plans to undertake will be pursuant to Schedule VII of the Companies Act, 2013:

Organisational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company has constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of following:

1. Mr.Kishore Gupta, Chairman
2. Mr. Rakesh Gupta, Member
3. Mr Laxmendra Maheshwari, Member

The CSR Committee shall –

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the Policy of the company from time to time.
4. The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and

also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Budgets

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be the Managing Director of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

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 the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

Information dissemination

The Company's engagement in this domain will be disseminated on its website, annual reports and its house journals as and when deem fit.

Update

CSR Committee of Board will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

For Star Delta Transformers Limited
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Kishore Gupta (DIN: 00014205)
Managing Director