

SPEB ADHESIVES LIMITED

**CORPORATE SOCIAL RESPONSIBILITY POLICY
[IN TERMS OF SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES
(CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014]**

1. Purpose

The Corporate Social Responsibility Policy of SPEB Adhesives Limited (formerly SPEB Adhesives Private Limited) was originally formulated and approved by the Board of Directors at their meeting held on May 19, 2025.

As a conscientious and responsible corporate entity, the Company is committed to making meaningful contributions to social and environmental well-being. This Policy aims to contribute towards sustainable development of society and the environment, to make the planet a better place for future generations. The CSR initiatives of the Company are aligned with the activities specified in this Policy and are proposed to be carried out by the Company either directly or in association with eligible implementing agencies registered with the Ministry of Corporate Affairs (MCA), in compliance with applicable laws and regulations.

This CSR Policy is formulated in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, and other applicable laws.

2. Effective Date

This Policy or any amendment thereto shall be effective from the date of its adoption by the Board of Directors.

3. Definitions

- (i) “**Act**” means the Companies Act, 2013.
- (ii) “**Administrative Overheads**” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.
- (iii) “**Board of Directors**” or “**Board**” means the collective body of the directors of the company.
- (iv) “**Company**” means “SPEB Adhesives Limited”
- (v) “**CSR Committee**” means Corporate Social Responsibility Committee constituted by the Board of Directors of the company on its applicability in accordance with the provisions of section 135 of the Act and CSR Rules.
- (vi) “**CSR Policy**” or “**Policy**” means CSR Policy of SPEB Adhesives Limited.
- (vii) “**CSR Rules**” means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
- (viii) “**Implementing Agency**” means any eligible entity which is registered with Ministry of Corporate Affairs for undertaking CSR projects, which is engaged by the company to implement various projects in pursuance of CSR Policy.
- (ix) “**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.

Any term used in this policy but not defined herein shall have the same meaning assigned to them under the Act and CSR Rules as applicable to the Company.

4. Board Principles of Governance and Administration

Board of Directors shall be responsible for:

- To Constitution of Corporate Social Responsibility Committee in accordance with the CSR provisions laid down under Section 135 of the Companies Act, 2013.
- To ensure that a CSR policy and activities to be undertaken by the company as per Schedule VII;
- To approve the policy recommended by the CSR Committee.
- To ensure that the Company spends in every financial year the amount as prescribed under section 135 of the Companies Act, 2013 and to frame the rules made there under.
- To monitor the amount approved by the board are utilised effectively towards the committed CSR activities.
- To monitor the Policy of the company from time to time.
- To implement the CSR activities by giving preference to the local area and areas around the hospitals operated by the Company.
- To disclose contents of such Policy in its report and also place it on the company's website.
- To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

5. Formation and Functions of CSR Committee

The CSR Committee shall be responsible for:

- Formulating and recommending to the Board the CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act;
- Recommending the amount of expenditure to be incurred on such activities;
- Formulating and recommending to the Board an annual action plan in accordance with Rule 5(2) of the CSR Rules;
- Recommending changes to the annual action plan, if any, with reasonable justification;
- Monitoring the CSR Policy of the Company from time to time;
- Recommending the approach and direction of CSR activities and providing guiding principles for: (i) Selection, (ii) Implementation, (iii) Monitoring, and (iv) Formulation of the annual action plan.

6. CSR Activities

The Company shall undertake CSR activities in the development of society and the environment in the vicinity of its projects or facilities, or any other area as approved by the Board upon recommendation by the CSR Committee.

A. The company shall undertake such activities which are broadly related to any of the following:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) 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.

- (iv) 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.
- (v) 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;
- (vi) 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;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports
- (viii) Rural development projects
- (ix) Development of area declared as “slum area” by the Government or Competent Authority.
- (x) Disaster management, including relief, rehabilitation and reconstruction activities.

B. The company may also contribute to the following funds as part of CSR activities:

- (i) Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (iii) 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;
- (iv) 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;
- (v) 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).

The above areas as enshrined in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the Company. The CSR Committee should consider details of CSR projects as elaborated in the annual action plan for each financial year.

Any CSR activity proposed to be undertaken as a CSR initiative, but not specifically covered in the aforesaid, may be undertaken only with the prior approval of the Board and CSR Committee.

7. Focus Areas

While the Company may undertake CSR activities in any of the areas specified herein above, the CSR Committee shall recommend focus areas, from time to time, to be undertaken in accordance with the Act and CSR Rules.

8. Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following:

- the list of CSR projects or programmes that are approved and to be undertaken by the company
- the manner of execution of such projects or programmes
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the company.

The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

9. CSR Allocation and Spending

- (i) The company shall endeavour to achieve the objectives of CSR Policy and allocate every year:
 - a. Minimum 2% of its average net profits made during the three immediately preceding financial years; and
 - b. Any income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the company and the same shall be ploughed back for use in CSR activities.
- (ii) All the expenditure relating to CSR shall be pre-approved by the CSR Committee. The CSR Committee shall monitor the utilization of funds for the purposes set forth.
- (iii) The Board shall also ensure that the Administrative Overheads shall not exceed 5% of total CSR expenditure of the Company for the financial year.
- (iv) Unspent CSR amount, if any, in a particular year and pursuant to any ongoing project, shall be transferred by the Company within a period of 30 days from the end of the financial year to separate account with any scheduled bank to be called the Unspent Corporate Social Responsibility account, after fulfilling certain conditions as prescribe under the Act and CSR Rules. Such unspent amount shall be spent by the Company in pursuance of its obligations towards 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 to the Act, within a period of 30 days from the date of completion of third financial year
- (v) The unspent CSR amount in a particular year and if not relates to any ongoing project, be transferred to a fund specified in Schedule VII to the Act, within a period of six (6) months of the end of financial year.
- (vi) The Company may set off any excess amount spent on CSR activities over the required obligation against the CSR requirements of succeeding financial years, in accordance with the provisions of the Act and CSR Rules.
- (vii) The overall amount to be committed towards CSR (referred to as “CSR Budget”) will be approved by the Board upon the recommendation of the CSR Committee.
- (viii) Where the total amount required to be expended by the Company pursuant to sub section (5) does not exceed rupees fifty lakh in a financial year, the obligation to constitute the Corporate Social Responsibility Committee under sub section (1) shall not apply, and in such circumstances, all functions, powers and responsibilities assigned to the Corporate Social Responsibility Committee under this section shall be exercised and discharged by the Board of Directors of the Company.

10. Mode of implementation

The CSR programs, projects, or activities of the Company may be implemented through the following methods, in accordance with the eligibility criteria specified under the Companies Act, 2013 and the applicable CSR Rules:

- i. Directly by the Company;
- ii. through eligible Implementing Agencies;
- iii. through any foundation or entity established by the Company, which is eligible to undertake CSR projects.
- iv. in collaboration with other organizations/group companies.

The Company may engage suitable Implementing Agencies to undertake approved CSR projects. Additionally, the Company may partner with local governance bodies such as Gram Panchayats, Municipalities, or other civic authorities to implement CSR initiatives directly, with their support and assistance.

11. Need and Impact Assessment

The Company shall give preference to the local area and surrounding regions where it operates, for spending the amount earmarked for Corporate Social Responsibility (CSR) activities.

Before undertaking any project or activity, the Company shall, wherever necessary, conduct a need assessment to evaluate the relevance and utility of the proposed project in the identified demographic area.

Wherever mandated under the CSR Rules, the Company shall undertake an impact assessment of completed projects and place the impact assessment report before the Board for its consideration.

A summary of the impact assessment outcomes, where applicable, shall be disclosed in the Board's Report.

12. Capital Assets

The CSR amount may be utilized by the Company for the creation or acquisition of capital assets, in accordance with the applicable provisions of the Companies Act, 2013 and the CSR Rules. Any capital asset acquired or created through CSR expenditure shall be held by:

- the beneficiaries of the CSR project, or
- a Section 8 Company, or
- a Registered Public Trust or Registered Society having charitable objects and a valid CSR Registration Number, or
- a public authority,

as prescribed under the CSR Rules, for the benefit of the community at large.

The Company shall take appropriate measures to ensure that such assets are used exclusively for the intended CSR purpose and shall not be transferred or disposed of without the prior written approval of the Company.

13. Monitoring Mechanism

The CSR Committee shall be fully responsible for the monitoring and reviewing the implementation of this policy in accordance with applicable laws from time to time. It shall also ensure that a transparent monitoring mechanism is in place to facilitate the effective implementation of the CSR Activities proposed to be undertaken by the Company.

The CSR Committee shall further ensure that the CSR Activities are undertaken in compliance with this CSR Policy and are implemented in a project or program mode, with clearly defined project deliverables, implementation schedules, processes, and budgets as outlined above.

The CSR Committee will monitor the programs and projects to ensure that they are being carried out in compliance with this CSR Policy and the Act and in accordance with the approved budget.

14. Information dissemination

CSR Policy and activities undertaken shall be disseminated on website for public access and shall be published in the Annual Report of the Company to provide disclosures as required under the Act and CSR Rules.

15. Policy Review and Amendments

The CSR Committee shall provide recommendations, along with justifications, to the Board as and when it deems necessary for amending, modifying, or revising the CSR Policy. The Board shall consider such recommendations or review the Policy on its own and update it as necessary to ensure alignment with applicable regulatory requirements. In the event of any conflict between this Policy and applicable laws, the provisions of the law shall prevail. Further, any amendments to the relevant regulations shall be deemed to be incorporated into this Policy without requiring additional approval from the Board.

This policy takes effect from the date of its adoption by the Board i.e. May 19, 2025 and shall remain in force until modified or rescinded.

16. Compliance with Companies Act, 2013

- Our Corporate Social Responsibility policy conforms to the Section 135 of the Companies Act, 2013 on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India subject to revision/amendments as may be issued from time to time.
- CFO of the Company shall certify that the amount disbursed has been utilised for the purpose of CSR activities and in the manner as approved by the Board.
- A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.