

**CORPORATE AND SOCIAL RESPONSIBILITY POLICY**

**SUNRISE INDUSTRIAL TRADERS LIMITED**

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## **CSR POLICY OF SUNRISE INDUSTRIAL TRADERS LIMITED**

### **1. Preamble:**

The Company intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which companies operates. The Company also believes in the trusteeship concept. This entails transcending business interests and working towards making a meaningful difference to the society.

We, at Sunrise Industrial Traders Limited believe that creation of large societal capital is as important as wealth creation for our shareholders. As a responsible human organization, we are committed towards the above objective and are keen on developing a sustainable business model to ensure and activate our future growth drivers. In line with the regulatory expectations, we are putting in place a formal policy as a guide towards our social commitment going forward.

### **2. Governing provision:**

The Corporate Social Responsibility Policy (“CSR Policy”) of Sunrise Industrial Traders Limited (“the Company”) has been prepared in accordance with the provisions of Section 135 of the Companies Act, 2013, (“Act”) read along with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) thereunder or any other Act/ Regulations/ Rules/ Directions, as may be applicable, from time to time.

The CSR Policy assists the Company in its vision to contribute to the social and economic development of the communities at large. This Policy shall serve as the basic guiding document on directing our effort towards building a better, sustainable way of life for the betterment of the society.

### **3. Objective of the CSR policy:**

Our aim is to actively implement projects and initiatives for the betterment of society, communities, and the environment at large as part of our Corporate Social Responsibility (CSR).

The main objective of this policy is to continuously and consistently-

- Define and lay down the guiding principles and strategies implementing company’s CSR initiatives.
- Outline our Board’s vision and approach for undertaking CSR and creating impact in the community.

- Encourage an increased commitment and engagement from employees towards CSR and volunteering interventions called ESOPs (Employee Social Options)

#### **4. Policy Guidelines:**

- All CSR Projects should be in accordance with the points mentioned in Schedule VII of the Companies Act, 2013. All CSR projects / interventions must be undertaken in India
- The Company may seek help from International Organizations in designing, monitoring, and evaluating its CSR Projects, and in assisting with capacity building of its personnel. However, it is clarified that such organizations cannot take the responsibility of actual implementation of the CSR initiatives.
- The initiatives undertaken in pursuance of normal course of business of the company cannot be considered as CSR interventions.
- Projects or programs or Interventions that benefit employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) shall not be considered as CSR activities.
- CSR interventions should be in project/program mode. Occasional events such as marathons/awards/charitable contribution/advertisement/sponsorship of TV programs etc. and any other sponsorship activity deriving marketing benefits for the company's products or services will not qualify as part of CSR expenditure.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR.
- Activities carried out for fulfillment of any other statutory obligations under any law in force in India will not qualify towards CSR requirements.

### **5. CSR Thrust:**

In order to undertake the CSR Projects we have identified certain thrust areas based on our mission. The actual allocation of budget for these thrust areas will depend upon the local needs as may be determined by the need identification studies or discussions with local government/Gram Panchayat/ NGOs. The Company shall give preference to the local area and areas around which the Company operates.

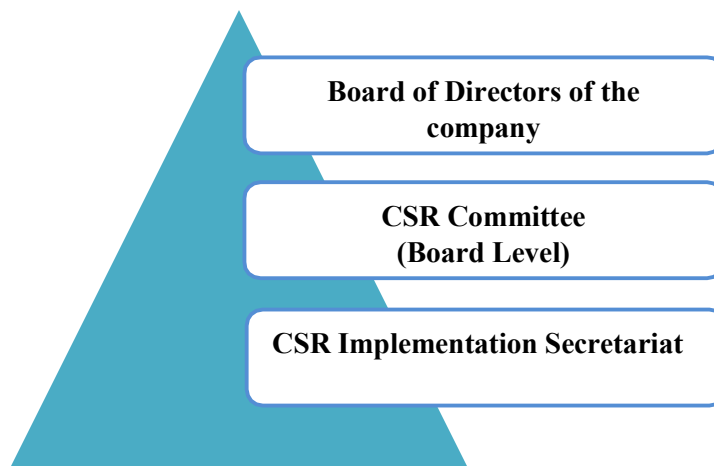
#### **Thrust areas:**

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (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 recognized sports, paralympic sports and olympic sports;
- (viii) 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 Govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) 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; and  
(b) Contributions to public funded Universities; engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) rural development projects;
- (xi) slum area development.
- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

## ***6. Governance Structure***

The Company has a well-defined and robust governance structure to oversee the implementation of the CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.



## **6.1 Role of the Board of Directors**

The roles and responsibilities of the Board of Directors towards CSR shall include:

- Provide recommendations and approval for the annual action plan formulated and presented by the CSR Committee for spending of the prescribed CSR budget.
- Alter the recommended annual action plan at any time during the financial year, if required, as per the recommendation of its CSR Committee, based on the reasonable justification.
- Ensure that in every financial year, the company spends at least 2% of the average net profits made during the three immediately preceding financial years in pursuance of its CSR Policy.
- Ensure that the Company treats the CSR Spends i.e. CSR surplus, excess expenditure, unspent CSR funds and administrative overheads as per the modalities prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.
- In case of ongoing project, the Board of a Company shall 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.
- Specify in its Report the reasons for not spending the amount if the Company fails to spend such amount.
- Disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on the Company's website, if any, for public access.

## **6.2 Role of the CSR Committee:**

The Corporate Social Responsibility Committee of the Board ('CSR Committee') is responsible for formulating and recommending to the Board an annual action plan consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.

### **6.3 Role of the CSR Implementation Secretarial**

The amount to be spent for CSR Projects shall be recommended to the CSR Committee by the CSR Implementation Secretariat for execution of the approved projects. The Implementation Secretariat would be regularly associated with the implementing partners to oversee the on ground implementation of the projects.

### **7. Funding and Allocation**

For the annual CSR budget, the CSR committee will allocate 2% of the average net profits of the company made during the three immediately preceding financial years, calculated in accordance with the relevant Sections of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. The CSR budget will be utilized for fulfilling the CSR objectives of the company by implementation of meaningful and sustainable CSR projects.

The Company shall spend up to 2% of the total CSR expenditure in one financial year or 50 lakh rupees, whichever is higher, on undertaking impact assessment for the applicable projects, as required by the law.

The surplus amount for any ongoing project based on the budget will be allocated towards the same ongoing project which is to be spent in any of the three succeeding financial years and will be transferred to the unspent corporate social responsibility account opened with a scheduled bank by the Company within 30 days from the end of the financial year. For other projects, such amount will be transferred to a fund specified in Schedule VII within 6 months of the expiry of the financial year.

Any surplus arising out of the CSR Projects or Programs or activities shall not form part of the business profit of the Company and will be ploughed back into the project in the current Financial Year or be allocated for an ongoing project to be spent in any of the three succeeding financial years or will be transferred to a fund specified in Schedule VII.

Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board's CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.

The Board of Directors will satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer will certify the same to that effect.



### **8. Volunteering of employees from the organization**

The Company will encourage and recognize its employees for volunteering to serve the community.

The Company shall endeavor to increase employee participation at all levels in the Organization, by encouraging employees to participate in the Company's CSR initiatives.

### **9. Monitoring of CSR Activities**

CSR committee of the company will be responsible for the monitoring of various CSR projects or programs undertaken by the company directly or indirectly. The committee shall ensure that;

- Company undertakes the CSR activities as provided in the CSR policy
- The projects/ programs are implemented as per the program approved by the board
- The budget allocated for each of the project is utilized for the projects as per the approved plans.
- The budget allocated for each of the project is utilized for the projects as per the approved plans.
- Company shall provide necessary resources and human capital for implementation and the effective monitoring of the CSR projects and programs as may be directed by the CSR Committee. The services of any external agencies or persons who have experience in the same or similar projects or programs undertaken or proposed to be undertaken by the company may also be made available for successful implementation and monitoring of the project.

### **10. Amendment of CSR Policy**

The CSR policy of the company may be amended at any time by the board of the company on the Recommendation of the CSR committee.

### **11. Reporting of CSR Policy**

On approval of the CSR policy or any amendments thereof, the contents of the policy shall be included in the Boards' report.

At the end of each financial year, the CSR committee shall prepare a report of the CSR program in the prescribed form relating to the financial year and submit to the board for its inclusion in the Board's report in the format recommended in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as may be amended from time to time, as part of its annual report.

Note : This CSR policy has been approved by the Board of Directors of the Company at their Meeting held on 24<sup>th</sup> May, 2023.

**For Sunrise Industrial Traders Limited**

**Sd/-**

**Suresh Raheja**

**Whole-time Director**

**DIN - 00077245**

**Mumbai**