



TOLANI SHIPPING CO. LTD.

**CORPORATE SOCIAL RESPONSIBILITY (“CSR”)
POLICY**

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1. INTRODUCTION	Tolani Shipping Company Limited (“TSCL”) is committed to undertake Corporate Social Responsibility (CSR) initiatives in accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 (furnished in Appendix -1 hereto) as amended from time to time.
2. AIMS AND OBJECTIVES	<ul style="list-style-type: none"> (i) To develop a long term vision and strategy for TSCL CSR objectives. (ii) TSCL shall promote CSR projects that are : <ul style="list-style-type: none"> (a) Sustainable and create benefit to humanity; (b) Have specific and measurable goals in alignment with TSCL’s philosophy; (c) Address the cause and needs of its CSR beneficiaries. (iii) To establish process and mechanism for the implementation and monitoring of the CSR activities of TSCL.
3. COMMITTEE COMPOSITION	<p>The Board will constitute the CSR Committee which will consist of three or more Directors of which atleast one shall be an Independent Director. Members of the CSR Committee may be replaced by any other member of the Board. The present committee consists of,</p> <ul style="list-style-type: none"> (i) Dr. (Mrs.) Sujata A. Naik (ii) Mr. R. Kumar (iii) Mr. R. L. Pai
4. COMMITTEE MEETINGS	The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities.
5. DUTIES AND RESPONSIBILITIES OF CSR COMMITTEE	<ul style="list-style-type: none"> (i) Formulate and recommend to the Board CSR activities / programs to be undertaken by TSCL. (ii) Review of the CSR activities undertaken by TSCL. The CSR Committee shall be guided by the list of activities specified in Schedule VII to the Companies Act, 2013 and any revision thereon. (iii) Recommend the CSR Expenditure to be incurred on CSR activities / programs.

	(iv) Institute a transparent mechanism for implementation of the CSR projects and activities and effectively monitor the execution of the CSR activities.
6. RESPONSIBILITY OF THE BOARD OF DIRECTORS OF TSCL	<p>(i) Approve the CSR Policy and the CSR Expenditure after taking into consideration the recommendations made by CSR Committee.</p> <p>(ii) Ensure the CSR spending every financial year be at least 2% of the average net profits made during immediately preceding three financial years.</p> <p>(iii) Ensure that the CSR activities included in the CSR Policy are generally undertaken by TSCL and that such activities are related to the activities specified in Schedule VII of the Companies Act, as amended from time to time.</p> <p>(iv) Ensure disclosure of the contents of the CSR Policy on the website of TSCL, as and when it is created.</p> <p>(v) TSCL shall (a) undertake the CSR activities directly or collaborate with other registered Charitable Trust or a registered Society or a Section 8 Company (Non-profit entity) under the Companies Act, 2013 for pursuing its CSR activities (b) contribute/donate to such other organization /institutions as may be permitted under the applicable laws from time to time.</p>
7. CSR SPENDING	<p>(i) The Committee shall endeavor to spend at least 2% of the average net profit made during the preceding three financial years on CSR activities. In case the average net profit for last three financial years are in the negative, the company is not required to spend on its CSR activities.</p> <p>(ii) The amount to be spent on CSR activities would be such amount as sanctioned by the Board of Directors based on the annual budget of TSCL. The amount sanctioned by the Board of Directors of TSCL shall be utilized for pursuing projects and programs as specified by the CSR Committee of TSCL. The unspent</p>

	<p>amount, if any, at the close of the financial year shall be spent on specified projects/programs as approved.</p> <p>(iii) CSR Expenditure shall mean all expenditure incurred in respect of projects / programs relating to approved CSR activities.</p> <p>(iv) CSR Expenditure shall not include expenditure on any item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in para 9 below.</p> <p>(v) CSR Expenditure shall not include projects or programs or activities undertaken outside India.</p>
<p>8. MONITORING AND REVIEW MECHANISM</p>	<p>The CSR Committee will be responsible for monitoring CSR activities and report to the Board from time to time.</p> <p>The CSR Committee has the powers to:</p> <p>(a) Obtain monitoring and implementation report from the organization receiving funds from TSCL.</p> <p>(b) Delegate to a designated official/person to co-ordinate, inspect the activities undertaken and ensure information in a timely manner.</p> <p>(c) The Board of Directors:</p> <p>(i) To receive in a prescribed format report on CSR spends.</p> <p>(ii) A report on the progress of the CSR Projects/Activities will be made to the Board of Directors by the CSR Committee, from time to time.</p>
<p>9. EXCLUSIONS FROM CSR ACTIVITIES</p>	<p>The following activities do not qualify as CSR Activities under the Companies Act, 2013.</p> <p>(a) Projects or activities not falling within Schedule VII of Companies Act, 2016;</p> <p>(b) Activities undertaken in pursuance of normal course of business;</p> <p>(c) Projects or programs or activities that benefit only the employees of TSCL and their families;</p> <p>(d) Direct or indirect contribution to any political party.</p>

	(e) Any CSR project/ activities undertaken outside India.
10. CSR REPORTING	The Board in its Annual Report shall include a section on, CSR spending in the relevant financial year and other information as required under the prevailing law.
11. REVIEW AND AUDIT	<p>The CSR Committee shall be apprised on the implementation of the CSR activities.</p> <p>TSCCL shall through its internal controls, monitor the implementation of its CSR activities / projects.</p> <p>Records relating to the CSR activities and the CSR Expenditure shall be maintained.</p>
12. AMENDMENTS	The Policy may be reviewed and amended from time to time with the approval of the Board.

For Tolani Shipping Company Limited

Dr. (Mrs.) Sujata A. Naik
Chairperson
DIN: 00009393

Appendix -1
Schedule VII of Companies Act, 2013
 (See Section 135 of Companies Act, 2013)

ACTIVITIES WHICH MAY BE INCLUDED BY COMPANIES IN THEIR CORPORATE SOCIAL RESPONSIBILITY.

- (1) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (2) promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (3) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (4) 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;
- (5) 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 arts and handicrafts;
- (6) measures for the benefit of armed forces veterans, war widows and their dependents;
- (7) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (8) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (9) contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- (10) rural development projects.
- (11) slum area development

Note: The above list will be subject to any amendment made to Schedule VII of Companies Act 2013.