



Indian Clearing Corporation Limited
The Power of Vibrance

Indian Clearing Corporation Limited

CORPORATE SOCIAL RESPONSIBILITY POLICY

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Review Periodicity

This document shall be reviewed as and when required or at least once a year Accordingly, next review shall be undertaken on or before April 30, 2025.

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1. Introduction

- i. The concept of CSR is governed by clause 135 of the Companies Act, 2013, which was passed by both Houses of the Parliament, and had received the assent of the President of India on 29 August 2013.
- ii. The provisions of CSR are applicable to the ICCL as it fulfils the criteria of having a net profit of Rs. 5 crore.
- iii. While there may be no single universally accepted definition of CSR. The roots of CSR lie in philanthropic activities (such as donations, charity, relief work, etc.) of corporations.

2. Objectives

To ensure a high social impact in a manner which is aligned with ICCL's tradition of creating wealth in the community using a three pronged focus on Education, Health and the Environment.

3. Applicability

- i. The CSR policy shall be applicable to all CSR projects undertaken by the Company in India as per Schedule VII of the Companies Act.
- ii. The CSR policy shall be applicable to the Company and all its employees.

4. CSR Committee Composition, Meetings & Responsibilities

- i. The CSR committee shall be constituted by the Board of Directors and shall consist of 3 board members or more, out of which at least one board member would be an independent director.
 - ii. The CSR Committee would hold at least two meetings in a year and the meetings may be held through audio / video conferencing facility. Two directors, of which one should be an independent director, would constitute quorum for the meeting.
 - iii. The CSR Committee of the Company shall be responsible for –
 - a. Formulating and recommending to the Board, the CSR Policy which shall indicate activities to be undertaken in line with Section 135 read with Schedule VII of the Companies Act, 2013.
 - b. Approving the budgetary allocation for CSR projects / activities to be undertaken by the Company within the Board approved CSR annual budget.
 - c. Recommending to the Board, modifications to the CSR policy as and when required.
 - d. Regularly monitoring the implementation of the CSR policy including compliance with provisions relating to mandatory spend towards CSR projects / activities and reporting to the Board.
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5. Budget & Utilization

- i. CSR Committee will recommend the annual budget to the Board which shall not be less than mandatory expenditure on CSR activities under the Companies Act. As per provisions of the Companies Act, 2013, ICCL would need to spend annually at least 2 % of the average net profit in the previous three years on CSR activities.
- ii. As and when a suitable project / activity is identified by the CSR Committee, the same shall be put up before the Board for budgetary approval for the said project / activity.
- iii. MD & CEO of the Company is authorized to release payments in accordance with the terms of project / activity approved by the Board.

6. Activities/ Focus Areas

- i. CSR Committee would approve CSR expenditure towards any of the activities / manner specified by the Schedule VII of the Companies Act, 2013 as under –
 - a) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
 - b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
 - c) 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.
 - d) 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.
 - e) 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.
 - f) Measures for the benefit of armed forces veterans, war widows and their dependents.
 - g) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
 - h) Contribution to the Prime Ministers' 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.

- i) Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government.
- j) Rural development projects.
- ii. Till the time, Company's budget does not permit undertaking any projects / activities on its own on an ongoing basis, CSR activities may be identified from time to time during the year to ensure optimal gains to the society while lending goodwill, credibility and goodwill to the Company and BSE Group.
- iii. CSR Committee may constitute CSR Working Group from among the officials of ICCL or other persons to identify and monitor various CSR activities to be undertaken by the Company.

7. Identification & Monitoring

- i. CSR Activities to be undertaken shall be in line with Section 135 read of Schedule VII of the Companies Act and Rules made thereunder.
- ii. CSR Working Group shall identify activities which can be undertaken within the approved yearly budget for CSR activities.
- iii. CSR Committee shall consider scope, vicinity of Company operations / projects, environmental impact, cost, timelines, sustainability, visibility, goodwill and other factors before approving any CSR expenditure.
- iv. The Company may also undertake any CSR activity jointly with any other Company or entity in accordance with the provisions of the Companies Act and Rules made thereunder.
- v. CSR Working Group shall provide a detailed status update on CSR activities in each meeting of CSR Committee.

8. Information dissemination

As per section 135 (4)(a) of the Act, ICCL will disclose contents of the CSR Policy in the Company's website, in such a manner, as is prescribed.