



CORPORATE SOCIAL RESPONSIBILITY POLICY

INTERSEA MARITIME LIMITED

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Introduction

“Intersea Maritime Limited” is a Ship Owning company incorporated in May 1998 having registered office at Chennai, India.

1. Purpose

The Corporate Social Responsibility Policy (“CSR Policy”) of “Intersea Maritime Limited” has been formulated by the CSR Committee and approved by the Board of Directors at its meeting held on **09th March 2023**

This policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in the area of health, sanitation, drinking water and infrastructure etc.

The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the company.

2. Effective Date

This policy shall be effective from the financial year 2022-23.

3. Definitions

(i) “Act” means the Companies Act, 2013.

(ii) “Board of Directors” or “Board” means the collective body of the directors of the company.

(iii) “Company” means “Intersea Maritime Limited”

(iv) “CSR Committee” means Corporate Social Responsibility Committee constituted by the Board of Directors of the company.

(v) “CSR Policy” means CSR Policy of “Intersea Maritime Limited”.

(vi) “CSR Rules” means the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

(vii) “Implementing Agency” means any entity 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.

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. Functions of CSR Committee

CSR Committee was constituted by the Board of Directors on **15th November 2022** with following functions assigned:

a) To formulate and recommend a CSR Policy indicating the activities to be undertaken by the company in areas or subject specified in Schedule VII to the Act;

b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

c) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:

- (i) the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
- (ii) the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
- (iii) the modalities of utilization of funds and implementation schedules for the projects or programs;
- (iv) monitoring and reporting mechanism for the projects or programs; and
- (v) details of need and **impact assessment, if any, for the projects undertaken by the company;

*[** (3) (a) Every company having average **CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act**, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.*

(b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

(c) A Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed 2[two per cent] of the total CSR expenditure for that financial year or fifty lakh rupees, 3[whichever is higher.]]

d) To monitor the CSR Policy as approved by the Board from time to time.

The CSR Committee should recommend the approach and direction of CSR activities to be undertaken by the company and also provide Guiding principles for

- (i) Selection of CSR projects / programmes / activities
- (ii) Implementation of CSR projects / programmes / activities
- (iii) Monitoring of CSR projects / programmes / activities.
- (iv) Formulation of the annual action plan.

5. CSR Spending

The company shall endeavor 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
- 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.

All the expenditure relating to CSR shall be pre-approved by the CSR Committee.

The CFO (Chief Financial Officer) shall monitor the utilization of funds for the purposes set forth and CERTIFY to this effect. [Rule 4(5) of the CSR rules].

Unspent CSR amount, if any, shall be transferred to separate account in accordance with the applicable CSR Rules from time to time.

6. CSR Activities

Company shall undertake CSR activities for development of the society and the environment, particularly in the vicinity of the areas where the facilities of the company are located.

(i) Eradicating hunger, poverty and malnutrition, ‘promoting health care including preventive health care’] and sanitation including contribution to the Swachh 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 4[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 recognised 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; 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 Defense 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).]

(x) rural development projects]

(xi) slum area development.

Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]

[(xii) disaster management, including relief, rehabilitation and reconstruction activities.]

7. Annual action plan

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

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

The board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year. [Rule 7(1)]

Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

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.

8. CSR implementation

CSR programs, projects or activities of the company should be implemented through following methods:

- i. Directly by the company;
- ii. Implementing Agencies;
- iii. Any foundation or body incorporated by the company and eligible to undertake such CSR projects.
- iv. In collaboration with other organizations/group companies

While the company can engage suitable Implementing Agencies to undertake approved CSR projects. The company can also partner with local governance bodies, such as Gram Panchayats, Civic Bodies, Municipality to directly undertake approved CSR projects with the help and support of these bodies.

9. Failure to spend CSR

The committee should ensure that in any financial year, if the company fails to spend in CSR, then

- i. transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year (on or before September 30] - If not an ongoing project referred to in sub-section (6), - if no ongoing CSR project is identified.
- ii. If it is to spend on ongoing project - Any amount remaining unspent pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be **transferred by the company within a period**

of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility 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, within a period of thirty days from the date of completion of the third financial year.

10. Reporting

Board's Report should include "annual report on CSR". It should specify the reason in case of company fails to spend amount on CSR.