



**SHIPPING CORPORATION OF INDIA
LAND & ASSETS LIMITED (SCILAL)**

**CORPORATE SOCIAL RESPONSIBILITY
(CSR) POLICY**

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1. PREAMBLE

- a.** The Corporate Social Responsibility (CSR) Policy of Shipping Corporation of India Land & Assets Limited (hereinafter referred as SCILAL) is issued within the framework mentioned hereunder:
 - i. Section 135 of the Companies Act, 2013 (hereinafter referred as Act)
 - ii. DPE Guidelines on CSR issued from time to time
 - iii. Ministry of Corporate Affairs Notifications on Amended CSR rules effective from 22nd January, 2021 and 20th Sep 2022.
- b.** This policy is consistent with the Act and Rules on CSR framed by MCA and the policy directions on the subject issued by the Government from time-to-time.
- c.** Whenever any amendments are made by MCA on the subject, the same shall be duly incorporated in the policy document. As per the Act, modification/ amendment to the Policy will be approved by the Board of Directors of SCILAL.

2. AIMS & OBJECTIVES

- a.** SCILAL as a responsible corporate citizen aims to channelize its performance along social, economic and environment dimensions. The policy objective of CSR initiatives is accordingly to achieve common social wellbeing and empowerment. SCILAL recognizes CSR as a tool towards conducting business responsibly and shall endeavor to conduct its business operations and activities in a socially responsible and sustainable manner at all times.

In view of the CSR activities, “SCILAL” will give due preference to the “Local Area”. However, the Board of Directors of the Company will decide the scope of the local area, keeping in view the nature of its commercial operations, the extent of the impact of its operations and the suggestions from its key stakeholders.

- b.** CSR is aligned and integrated with SCILAL’s business goals, plans and strategies. The philosophy and spirit of CSR shall be embedded in the core values of the company and will be imbibed by the employees across all horizontals and verticals and shall permeate into all activities, processes, operations and transactions of the enterprise.

3. VISION & MISSION

The vision and mission for CSR activities at SCILAL are stated below:

a. VISION

To be a Corporate with its business strategies, policies and actions aligned with wider social concerns through sustainable initiative in socially relevant matters including education, health & environment.

b. MISSION

SCILAL aims at spending a defined portion of its net profit for the betterment of society through:

- i. Financial and other assistance to students pursuing maritime related studies belonging to socially weaker sections.
- ii. Efforts for improving community health in slums and areas inhabited by weaker sections.
- iii. Programmes and efforts for supporting environment protection and enhancement.
- iv. Promoting, encouraging and supporting the social and cultural heritage and tradition our society.
- v. Proactive actions for well-being of the society as per the needs.
- vi. Incorporating sustainability in business plans, strategies and processes.
- vii. Providing support in times of national disaster.

4. ORGANIZATIONAL STRUCTURE

a. Tier I Committee

In order to steer the Company's Policy on CSR, to oversee the implementation of CSR activities/ projects in the company, the CSR committee of the Board (Tier I Committee) will be constituted as per as per sub section (1) of the Act. Where the amount of CSR to be spent does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such shall, in such cases, be discharged by the Board of Directors of the company.

b. Tier II Committee:

To coordinate the CSR initiatives on day to day basis, a Tier II Committee may be constituted.

As per clause (3) of subsection (1) of the Act, the broad functions of the CSR Committee of the Board shall be as under:

- i. Formulate and recommend a CSR Policy to the Board, which shall include the Annual Action Plan indicating the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, manner of execution of projects, modalities of utilization of funds and implementation schedules and monitoring and reporting mechanism; (Annual Action Plan attached at Annex-1)
- ii. Recommend the amount of expenditure to be incurred on the CSR activities referred to in clause (i);
- iii. Monitor the Corporate Social Responsibility Policy of the company from time to time.
- iv. Institute a transparent monitoring mechanism for implementation of the CSR projects/programs/activities.
- v. Monitor implementation of CSR activities on quarterly basis.
- vi. Approve programs / projects / activities
- vii. Approve projects/programs/activities which are outside SCILAL's focus areas.
- viii. Board of SCILAL shall also approve multi-year project undertaken by SCILAL in fulfillment of its CSR obligations 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 of SCILAL based on reasonable justification.
- ix. 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.
- x. Board of SCILAL may alter Annual action plan of CSR activities at any time during the financial year, as per the recommendation of its CSR Committee of the board, based on the reasonable justification to that effect.
- xi. Undertake need and impact assessment, if any, for the projects undertaken by the SCILAL.

5. FOCUS AREAS FOR INITIATIVES

- a. The CSR policy of SCILAL aims at promotion, upliftment, empowerment, development

and equality in the society through education and awareness.

- b. SCILAL's focus will be on sustainable development and inclusive growth to address the basic needs of the deprived, under privileged, neglected and weaker sections of the society.
- c. SCILAL's CSR initiatives will target specific areas for optimum use of resources. The target areas of SCILAL's CSR initiatives will adhere to the Schedule VII of the Companies Act, 2013 & Amendment to Schedule VII (hereinafter referred as Schedule) and any such other activity as directed by GOI-MoS and DPE.
- d. SCILAL CSR efforts are focused on Immediate vicinity of its HO and regional offices within country.

6. IMPLEMENTATION

- 6.1 An Action Plan with the detailed break up of projects/programs activities to be undertaken will be approved by the Board on the basis of recommendation of CSR Tier I committee.
- 6.2 Any projects/programs activities in areas other than listed in Schedule VII will be taken upon the approval of the Board on the basis of recommendation of CSR Tier I committee.
- 6.3 CSR projects / programs / activities will be implemented directly by SCILAL or through implementing partners/specialized agencies. In case of small CSR funds, SCILAL may collaborate with other companies for undertaking CSR activities by way of pooling their CSR resources
- 6.4 The minimum eligibility criteria of an implementing partner will be as follows:
 - i. Such entity must be a registered public trust, or a registered society or a company registered under Section 8 of the act or any specialized agency established by the act of Central Government / State Government having minimum three years of experience post registration in handling activities of similar nature.
 - ii. Experience of working with any Government Body or Public Sector Enterprise will be preferred.
 - iii. In addition to registration under respective act, the implementing agency should also be registered under the provisions of Section 12A and Section 80G of the Income Tax Act. However the selecting authority can request any other qualification from the

applicants while selecting the implementing partners.

iv. Implementing agency/agencies is/are required to fill the check-list attached at Annex-2

6.5 CSR activities will be implemented by SCILAL or by the implementing agencies as specified at point 6.3 & 6.4 above. MoU's / Letter of Commitment will be signed with the implementing agency and the monitoring/ evaluation of the project will be ensured by way of the following parameters:

- i. Base line survey containing the present status of the target group / area and the need.
- ii. Nature and content of the programme / project.
- iii. Specific deliverables
- iv. Target group of the programme with details of beneficiaries
- v. Commencement date and closure date of the programme / project.
- vi. Monitoring and reporting at each milestone and measurement at final stage.
- vii. Names / qualifications / experience of the persons involved in execution.
- viii. Particulars of approvals / consent of the government / local government bodies and / or other agencies / bodies where required.
- ix. Estimated budget and phasing of disbursement, monitoring by SCILAL / SCILAL partner(s).
- x. Evaluation & Assessment, through Detailed Project Report (DPR).

7. FINANCIAL RESOURCES

- a. In alignment with The Companies Act, 2013 the corporation shall earmark as Annual CSR Budget, at least 2% of the average of net profits of the company made during the three immediately preceding financial years,
- b. The unutilized / unspent amount allocated related to Ongoing CSR Projects / Not related to ongoing CSR Projects will not lapse and shall be treated as per the MCA notification dated 22nd January, 2021 w.r.t. Amendment in CSR Rules.
- c. Any surplus arising out of the CSR & Sustainability projects/programs / activities will not form part of the business profit of the Company and shall be treated as per the MCA notification dated 22nd January, 2021 w.r.t. Amendment in CSR Rules

- d. Expenditure incurred on base line survey, needs assessment study, monitoring & audit, social impact assessment studies etc and on capacity building programmes such as training, workshops, seminars, conferences etc through reputed institutions and on corporate communication strategies for engagement of all stakeholders, whether internal or external, to implement the CSR agenda of SCILAL, would be accounted for as CSR expenditure but such expenditure shall not exceed 5% of total CSR expenditure in one financial year.

8. MONITORING

- (i) Monitoring process will be done through a three tier mechanism through
 - a. CSR Tier I Committee on periodic basis. In absence of CSR Tier I Committee, Board will monitor the process.
 - b. Third Party Impact Assessment of major projects will be carried out as per point 9.2 of the policy.
 - c. Expenditure towards impact assessment will be booked towards Corporate Social Responsibility for that financial year, as per specified MCA rules.
- (ii) Allocation of a separate budget for setting up and running the monitoring system.

9. EVALUATION

a. Needs Assessment/ Base Line Survey:

Before taking any final decision on the selection of any CSR activity/ project/ program, needs assessment study and/or base line survey or assessment of stake holder consultation will be done, as far as possible, to assess the needs of the intended beneficiaries for a realistic assessment of the resource inputs required for the expected level of social/ economic/ environmental impact through the implementation of the activity/ project. The data/ information collected through this exercise/ study before the commencement of the project will be used in impact assessment after completion of the project or program. The needs assessment study may be done through SCILAL's own resources/ through specialized agency based on the accessed reliable data from recognized authoritative sources, in this regard.

b. Impact Assessment:

The ultimate test of the success of any CSR project or program is the social, economic or

environmental impact thereof. After the completion of the project or program and necessary minimum gestation period i.e. one year from the date of completion of the project, an impact assessment study will be conducted of all such projects whose “minimum outlay is Rs 1 Crore or more or in the case where average CSR obligation to SCILAL of preceding three financial years is Rs 10 crore or more”, to ascertain the degree of its success, or failure with reference to the project report prepared at the commencement of the project or program. SCILAL will utilize the services of specialized external agencies for impact assessment study.

10. AMENDMENTS TO THE POLICY

- a. Any subsequent notification, circular, guidelines or amendments in the following shall forthwith be implemented by the Company and consequent changes in this Policy shall be carried out with approval from Chairperson & Managing Director of SCILAL and be communicated on the relevant platform:
 - ❖ The Companies Act, 2013 and rules made there under
 - ❖ Any other statutory or regulatory law.
 - ❖ Guidelines of DPE
- b. Provided the Board and CSR Committee (if any) are kept informed about the said amendment at the first Board Meeting held after such amendment. Any amendment for the reasons other than those mentioned above shall need approval by the Board of Directors on the recommendation of CSR Committee (if any).

11. REPORTING AND DISCLOSURE

SCILAL shall report and disclose the contents of CSR, CSR Policy and activities implemented by SCILAL for the benefit of all stakeholders through the following:

- a. Official website: www.scilal.com
- b. Annual Report
- c. MCA vide its notification announced that CSR-2 Form for each financial year shall be Filed separately on or before 31st March of subsequent year.

*Approved by the Board of Directors on 12.02.2024

**Shipping Corporation of India Land and Assests Ltd. Corporate Social Responsibility Programme
Annual Action Plan FY 2023-2024**

S No	CSR Project Details	Category under Schedule VII	Project Cost (In Lakhs)	Estimated Cumulative Expenditure up to 31.03.2024 (In Lakhs)	Manner of Execution / Implementation Modality	Fund Utilisation Modality	Monitoring and Reporting Mechanism
1							
2							
3							
4							

Annex-1

CSR Compliance Check List

EXECUTIVE SUMMARY

About Project		
Title of the proposed project		
Proposed project activities	<ol style="list-style-type: none"> 1. 2. 3. 4. 	
Objectives of the proposed project	<ol style="list-style-type: none"> 1. 2. 3. 4. 	
Who are direct beneficiaries with approx. number		
Project location		
Total project cost and	Total Project Cost :	Total OPEX: Total CAPEX :
Support required from SCILAL		
Proposed project duration		

About Organization/Agency	
Name & registered address of implementing agency:	
Goals and objectives of the agency as per Memorandum of Association/Bylaws/Articles of Association	
Legal status of agency and date of Registration	
Contact details (office no., mobile no. and e-mail)	

1. All the information sought is mandatory to be complied with. Failing which, proposal would be considered as incomplete and liable to be rejected.

2. All documents submitted to this office should be in English/Hindi. In case the documents are in local language, translation duly certified by the legal authority must be submitted.

SN	All information/documents mentioned below are mandatory in order to examine the proposal	Sl.No.
1.	Organization Details	
1.1	Brief description of the organization/agency	
1.2	Details of similar projects ongoing/completed by the organization/agency in previous three years	
1.3	The impact assessment (Third party) of the previous projects executed by your organization in the similar focus areas to that of current proposal, if any.	
1.4	Details of previous support received from SCILAL.	
1.5	The details of largest project undertaken by the agency in recent past. Please provide the financial implication involved in it.	
2.	Project Details	
2.1	Details of the proposed CSR project to be undertaken by your organization	
2.2	Brief on Goals and objectives of the project	
2.3	Report of Need Assessment/Baseline Survey for the proposed project, if any. Justification for taking up proposed CSR project	
2.4	Brief about the targeted beneficiaries under proposed CSR project	
2.5	Methodology of the selection of the beneficiaries and number of beneficiaries in detail	
2.6	Details about physical and social milestones/deliverables to be achieved through the proposed CSR project	
2.7	Detail timeline/duration of the proposed project	
2.8	Budget estimate of the project with detailed budget break-up of each expenditure head along with documents proving rate reasonability.	
2.9	What is the monitoring mechanism for the project as far as project activities and benefits to the beneficiaries are concern?	
2.10	Documents depicting the funding sources for the total budget of project under reference other than SCILAL and details of the amount funded by each organization, if any.	
2.11	How sustainability of the project is planned to be ensured?	
2.12	Branding/Visibility/Mileage to SCILAL from the project.	
3.	Mandatory Documents Required (at initial stage)	
3.1	Copy of Trust Deed/Registration Certificate/Bylaws of Society (Trust/Society/Section 8 company must have been registered minimum for the past three	

	years)	
3.2	Income Tax Exemption Certificate, if any	
3.3	Cancelled Cheque	
3.4	Copy of PAN Card	
3.5	Copy of Audited Account Statement of previous 3 financial years	
3.6	CSR-Form I – Registration on MCA	
3.7	Affidavit (as per Annexure I)	
4.	If Civil Construction is involved	
4.1	The documents proving ownership of land where the civil construction is proposed. In case the documents are in local language, please submit copy of its English/Hindi translation duly certified by the legal authority.	
4.2	Copy of approved construction map and estimate duly vetted and signed by the certified Architect with NOC from the government authorities for construction	
4.3	Detail budget estimates of the construction plan as per SOR/DSR OR Market Rate.	
5	If Procurement of Capital Items are Involved	
5.1	What is the need of requirement of capital items with respect to benefits to the beneficiaries?	
5.2	What is the life of capital items and who will bears the maintenance cost of the capital items and till what duration?	
5.3	Quotations for each of the capital items.	

Declaration:

I hereby declare that whatever has been stated above is true to the best of my knowledge, correct and nothing has been concealed there from.

Place:

Date:

Signatory with Common Seal

[Format for Affidavit]

(Affidavit on Rs. 100 non-judiciary stamp paper duly notarized)

UNDERTAKING

1. There are no pending disputes or enquiries in connection with cheating, misappropriation of funds exploitation of beneficiary , etc. on the name of _____(name of agency). The organization has never been "Black listed "or "Reprimanded" either by Govt./Govt. Agencies/CPSEs/NCSR Hub or by reputed private organization.
2. The proposed project is neither covered under any existing scheme of Govt. of India / State Govt. nor is being funded by any other organization to ensure that there no duplicity of the CSR activity under reference.
3. Any of Board of Directors/Trustees/Executive Committee members of _____(name of agency) or the organization itself does not have any material or pecuniary relationship of transactions with SCILAL, its Promoter, its Directors, its Senior Management or its Holding Company, its Subsidiary and Associates which may influence the process of administrative approval or financial concurrence or fund disbursement for the proposed project.
4. We, _____(name of agency) have not directly or indirectly supported/contributed by any political party or its affiliations and vice-versa.
5. We, _____(name of agency) assure that if SCILAL approves any financial support towards proposed CSR project;
 - a. We will submit a Fund Utilization Certificate to SCILAL, issued by a Chartered Accountant.
 - b. We will retain all relevant documents like Cash Book, Bank Book, Ledger, Journal, Relevant Bills, Vouchers and Receipts etc. for a period of at least 03 years from the Project/Event.
 - c. That during this period of 3 years agency will allow authorized representative(s) of SCILAL for audit (s) / inspection(s) of above documents as and when asked by SCILAL.
 - d. That during the period of 3 years as mentioned above, on SCILAL's demand agency will provide the desired documents/ information pertaining to income & expenditure detail of the project/ event including copies of relevant Bills, Vouchers and Receipts etc. for internal and/ or external purposes (for supplying to 3rd party) as per law.

Declaration:

I hereby declare that whatever has been stated above is true to the best of my knowledge, correct and nothing has been concealed there from.

Date: _____

Authorized signature

Place: _____

(Seal of the organization)