

RAFT MOTORS LIMITED

**REGISTERED OFFICE: B/607, 6TH FLOOR, KANAKIA WALL STREET, ANDHERI KURLA
ROAD, CHAKALA, ANDHERI (EAST), CHAKALA MIDC, MUMBAI,
MAHARASHTRA- 400 093, INDIA,**

**CORPORATE ADDRESS: 19 MONOHAR PUKUR ROAD, SARAT BOSE ROAD, KOLKATA,
WEST BENGAL-700 029, INDIA**

TEL NO: +91 9230969627

EMAIL: cs@raftmotors.com

CORPORATE SOCIAL RESPONSILIBILITY

INTRODUCTION

1.1 Raft Motors Limited is committed to managing CSR to produce an overall positive impact on the local community and society at large. As people in the service sector, we strive to be trusted organization and by being socially responsible, we help to create that trust. We believe that the successful long-term future of our business can only be achieved by working collaboratively with different stakeholders. We are committed to the communities in which we live and work. We understand the impact we create on the local community in the everyday running of our business and the CSR Provisions provide a robust framework for companies to partner in contributing to the nation's development challenges through leveraging their managerial skills, technology and innovations.

1.2 CSR in India

The Government provides the broad framework of CSR Through:

- I. Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), enumerates the provisions regarding CSR,
- II. Schedule VII of the Act, Indicates the activities to be undertaken by the company under CSR, and
- III. Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (hereinafter referred to as "**CSR Rules**") prescribes the manner in which company shall comply with CSR provisions of the Act.

2. SCOPE

This Policy covers current as well as proposed CSR activities to be undertaken by the Company and examining their alignment with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities excluding activities undertaken in pursuance of its normal course of business.

The key elements of the scope of Corporate Social Responsibility ("CSR") policy of

Raft Motors Limited include:

- i. Objective of CSR policy
- ii. Our responsibilities towards communities
- iii. CSR support
- iv. Focus areas/ Targeted areas

2.1. Objective of CSR policy

The main objectives of Raft Motors Limited's CSR Policy are

To directly/indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around our plant/office premises and society at large;

- i. To lay down guidelines to make CSR a key business process for sustainable development of the society;
- ii. To generate goodwill and recognition among all stakeholders of the Company.

2.2. Our responsibilities towards communities

We will involve communities surrounding to our operations to bring about a positive change in their lives through holistic, sustainable and integrated development.

2.3. Focus Areas/ Targeted Sectors

The major targeted sectors primarily focused by the Company and mapped with the activities prescribed in Schedule VII of the Act are as follows:

- Healthcare
- Sanitation
- Drinking Water
- Education
- Digital inclusion
- Rural Development
- Vocational Skills
- Entrepreneurship Skills
- Employment Opportunities
- Facilities for Senior Citizens
- Medical Aid
- Old Aged Homes
- Women Hostels

- Special Employment Opportunities for Women
- Environment Protection
- Conservation of Natural Resources
- Protection of National Heritage
- Promoting and development of Art and Culture
- Literacy programs
- Promotion and development of traditional arts and handicrafts
- Measures for armed forced veterans, war widows and their dependents
- Promotion and development of rural sports and National Games
- Contribution to funds set by the Central or State Government for

development and welfare of Scheduled Castes, Scheduled Tribes and minorities

- Rural Development Projects
- Contribution to technology incubators located within academic institutions
- Go Green Initiatives
- Human Rights
- Any other area in accordance with Schedule VII of the Act and any amendments from time to time will be taken with due approval from CSR Committee and the Board of Directors.

The Company shall review the sectors from time to time and make additions/deletions/clarifications to the above sectors, in accordance with the provisions of Section 135 of the Act.

3. APPLICABILITY OF THE POLICY

The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Act and in accordance with the CSR Rules.

This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India.

4. OUTLAY

- i. The annual CSR budget shall be 2% (two per cent) of its average net profits of the three preceding financial years towards CSR activities. The net profit will be estimated in accordance with the provisions of Section 198 of the Act. The budget shall be based on recommendation by the CSR Committee. The Company shall contribute on CSR activities as per the requirements stated in the Companies Act 2013 and Rules framed thereunder from time to time.
- ii. Any surplus generated from CSR projects shall not be added to the normal business profits of the Company and shall be treated as follows:
 - a) Ploughed back into the same project; or
 - b) Transferred to an Unspent CSR Account and spent in pursuance of CSR policy and Annual Action Plan of the Company; or
 - c) Transferred to a Fund specified in Schedule VII, within the prescribed timeline as specified in the CSR Rules.
- iii. The Company may spend up to 5% (five per cent) of its total CSR expenditure towards administrative overheads for the financial year for the purpose of CSR functions in the Company.

- iv. All reasonable efforts will be made to ensure that the CSR amount so disbursed is fully utilized in the respective year in the manner as approved by the Board. However, if the Company fails to spend such amount, the Board of Directors shall, in its report specify the reasons for not spending the amount and such unspent amount shall be dealt with in accordance with the provisions of Section 135 (5) & (6) of the Act.
- v. The tax treatment of CSR expenditures will be in accordance with the provisions of the Income-tax Act, 1961 as notified by Central Board of Direct Taxes (CBDT).
- vi. In case the Company spends an amount in excess of the requirements of its CSR obligations in a financial year, such excess amount may be set-off against the requirement of the CSR spending under sub-section (5) of Section 135 upto the immediate succeeding 3 (three) financial years subject to the fulfilment of conditions as specified under the CSR Rules.

5. CSR INITIATIVES

CSR Initiatives should be in line with Schedule VII of the Act and the CSR Rules. The Company shall undertake CSR activities included in its Annual Action Plan, as recommended by the CSR Committee at the beginning of each year. The Board is authorized to approve any modification to the existing Annual Action Plan or to propose any new program during the financial year under review in consultation with the CSR Committee.

6. GOVERNANCE

FRAMEWORK Board of

Directors:

The Board of Directors of Raft Motors Limited ("**Board**") shall be responsible for:

- i. Forming a CSR Committee and disclosing the composition of the CSR Committee on Company's website
- ii. Approval of the CSR Policy of the Company after taking into account the recommendations made by the CSR Committee
- iii. Disclosing the content of the Policy in its report and place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Act read with the CSR Rules.
- iv. Approval of the Annual Action Plan after taking into account the recommendations made by the CSR Committee and approval of alteration to Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.
- v. Disclosing the details of the CSR Projects / programs approved by the Board on

Company's website.

- vi. Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the 3 (three) immediately preceding financial years in pursuance of the Policy.
- vii. Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects.
- viii. Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.
- ix. Ensuring that the administrative overheads are not more than 5% of the total CSR expenditure.
- x. Ensuring that the funds so disbursed have been utilized for the purposes and in the manner as approved by the Board / CSR Committee and the Chief Financial Officer of the Company shall certify to the effect.
- xi. Approval for transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of Raft Motors Limited shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same. The Accounts and Finance Team of Raft Motors Limited shall deal with the unspent in following manner:

Nature of unspent amount	Action required	Timelines
Unspent amount pertains to 'ongoing projects'	Transfer such unspent amount to a separate bank account of the company to be called as 'Unspent CSR Account'.	Within 30 days from the end of the financial year.
Unspent amount pertains to 'other than ongoing projects'	Transfer unspent amount to any fund included in Schedule VII of the Act.	Within 6 months from the end of the financial year.

- i. In case of ongoing project, the Board shall monitor the implementation of the said 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 said project within the overall permissible time period.
- ii. The board shall review the effectiveness and achievement of project activities in line with the project/program objectives.

CSR Committee:

Constitution:

Pursuant to the Section 135 of the Act, the Board has constituted a Corporate Social Responsibility Committee (CSR Committee) at its meeting held on December 5, 2024. The Committee shall function in accordance with the provisions of Section 135 of the Act read with the CSR Rules including any statutory modifications or re-enactment thereof. The members of CSR Committee as appointed by the Board of Directors of the Company consist of the following Directors of the Company:

- Mr. Aditya Vikram Birla– Chairman
- Mrs. Nikita Rateria – Member
- Mr. Amit Singhania – Member

Powers of the Committee:

The CSR committee shall be responsible for:

- (i) Formulation and recommendation to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Act as amended from time to time
- (ii) Recommendation to the Board the programs to be undertaken, modes of execution and implementation schedule from time to time
- (iii) Monitoring CSR Policy of the Company from time to time
- (iv) Formulation and recommendation to the Board, an annual action plan in pursuance of its CSR policy
- (v) Recommendation of CSR Budget
- (vi) Spending the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- (vii) Monitoring the projects and programmes to ensure that they are being carried out in compliance with this CSR Policy and the Act
- (viii) Review the effectiveness and achievement of project activities in line with the project/program objectives
- (ix) Submit the reports to the Board in respect of the CSR activities undertaken by the Company
- (x) Authorize executives of the Company to attend the CSR Committee Meetings

Meetings of the CSR Committee:

- The CSR Committee shall meet once in a year to monitor the progress as against the approved annual action plan. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings.
- Quorum for the meeting should be two. The Members of the Committee

may participate in the meeting either in person or through video conferencing or other audio-visual means in accordance with the provisions of the Act and rules made there under from time to time.

- Other Members of the Senior Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee.
- Minutes of the CSR committee shall be placed before the Board for noting.

7. MONITORING AND REPORTING FRAMEWORK

A comprehensive monitoring and reporting framework shall be put in place in order to ensure that funds spent on CSR programs are creating the desired impact. Key objectives of monitoring throughout the implementation period will be to check:

- i. the satisfactory and timely progress of program towards the agreed objectives; and
- ii. the financial management and reporting.

In addition to the above, the Board upon recommendation of the CSR Committee may mandate the impact assessment effective and timely monitoring and evaluation of varied its CSR programs through an independent third-party agency, to carry out situational analysis, need assessment surveys, project visits, or impact studies, etc. if and as required especially for the strategic and high value CSR programs under applicable CSR Rules.

8. IMPLEMENTATION

8.1. The Board of the Company may decide to undertake its CSR activities approved by the CSR committee, through itself or through an implementing agency which shall comply with the eligibility criteria or requirements as stated in the applicable provisions of the Act and CSR Rules. The Company may form its own Trust / Society / Section 8 Company, to carry out CSR activities in accordance with the CSR Rules and to administer its CSR activities. Specify the projects or programs to be undertaken, the modalities of utilization of funds of such projects or programs and the monitoring and reporting mechanism.

8.2. Due diligence:

The Implementing Agency shall be required to undertake the Company's due diligence process prior to entering into an agreement with the Company. The CSR engagement with the implementing agency will be project based.

9. ANNUAL ACTION PLAN

The Annual Action Plan is a yearly plan of CSR activities. The CSR Committee shall formulate and recommend an Annual Action Plan to the Board which shall include the following:

- i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
- ii. the manner of execution of such projects or programmes
- iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes
- iv. monitoring and reporting mechanism for the projects or programmes; and details of need and impact assessment, if any, for the projects undertaken by the Company

The Board of Directors may approve the Annual Action Plan with such further conditions as it deems fit and further alter Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

10. REPORTS

The CSR committee shall be required to place the report before the Board. The format of the Report shall be the format as prescribed under the CSR Rules.

11. PUBLICATION OF CSR POLICY & PROGRAMS

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any, along with the composition of the CSR Committee and the Projects approved by the Board.

12. POLICY REVIEW & FUTURE AMENDMENT

The Committee shall review its CSR Policy from time to time and make suitable changes as may require and submit the same for the approval of the Board. The Company reserves its right to modify, cancel, add, or amend any of the contents of CSR Policy. However, this policy, in whole or in part, shall stand modified / amended from time-to-time, without any further act on the part of the Company, as and when there would be any statutory modification(s)/ amendment(s) / revision(s) to the applicable provisions thereto.