

**India International Convention and
Exhibition Centre Limited
(CIN- U74999DL2017GOI327372)**

Corporate Social Responsibility Policy
(FOR FINANCIAL YEAR: 2021-22 AND ONWARDS)

[In pursuance of Section 135 of the Companies Act, 2013 read with
Companies (Corporate Social Responsibility Policy) Rules, 2014]

Corporate Social Responsibility Policy of IICC Limited

I. Preamble:

1. India International Convention and Exhibition Centre Limited (IICC Limited), a wholly owned Government of India Enterprise under Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, was incorporated on 19th December, 2017 under the Companies Act, 2013 as a Special Purpose Vehicle for the implementation and development of the Exhibition-Cum-Convention Centre (ECC) at Dwarka, New Delhi.
2. The Corporate Social Responsibility (CSR) Policy of IICC Limited (hereinafter referred to as “the Policy” or “CSR Policy”) is being framed to align the Company’s corporate social responsibility activities in accordance with the requirement under Section - 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

II. Vision:

IICC Limited is committed to contribute positively towards sustainable and inclusive growth of the society within the ambit of the Companies Act, as amended from time to time.

III. Objectives of CSR Policy:

The objectives of CSR Policy is to lay down the guiding principles in undertaking various Programs and Projects by or on behalf of the company relating to CSR within the meaning of Section 135 of the Companies Act, 2013 read with Schedule VII of the Act and Rules as may be applicable and as amended from time to time and will, inter-alia, provide for the following:

- (a) To identify the CSR Projects or Programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) To outline the manner of execution of CSR Projects or Programmes and the reporting mechanism;
- (c) To determine the CSR expenditure to be undertaken and prior approval of Budgetary Allocation for CSR activities;
- (d) To oversee the modalities of utilisation of earmarked funds and preparation of implementation schedules for the projects or programmes;
- (e) To Monitor the implementation of CSR initiatives/projects/programmes;
- (f) To formulate an ‘Annual Action Plan’ for undertaking CSR Projects or Programmes;
- (g) To identify the details of need and impact assessment, if any, for the projects to be undertaken by the company.

IV. Definitions:

1. In this Policy unless the context otherwise requires:

- a) "Act" means the Companies Act, 2013 (18 of 2013);
- b) "Administrative overheads" means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
- c) "Annexure" means the Annexure appended to these rules;
- d) "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely: -
- i. activities undertaken in pursuance of normal course of business of the company: Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that- such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act; details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
 - ii. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 - iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 - iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 - v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
 - vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- e) "CSR Committee" means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
- f) "CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- g) "International Organisation" means an organisation notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply;

- h) "Net profit" means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely: -
- i. any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - ii. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
- i) "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation 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 based on reasonable justification;
- j) "Public Authority" means 'Public Authority' as defined in clause (h) of section 2 of the Right to Information Act, 2005 (22 of 2005);
- k) "section" means a section of the Act.

2) Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

V. **CSR Activities:**

The Company will carry out CSR Activities in consonance with the provisions of the Section 135 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 in areas or subjects listed out in Schedule VII to the Act, as amended from time to time and any other directions issued by DPE/Government of India. Copy of Schedule VII to the Act is attached as **Annexure-A**.

This Policy will apply to CSR Activities approved by the Board of Directors, from time to time, and taken up for implementation preferably in and around the areas of its operation including other business establishments and surrounding areas thereto located within the territorial limits of India.

VI. **Allocation of Funds:**

The Company shall allocate funds to the tune of at least 2% of the average net profits of the company during the immediately preceding three financial years towards the CSR activities for each / any of the programme or project or activities as approved by the Board.

However, if the Company ceases to be covered under sub-section (1) of Section 135 of the Act for three financial years, then it shall not be required to constitute a CSR Committee and to comply with the provisions laid down under sub-section (2) to (6) of the said Section, till such time it meets the criteria specified in sub-section (1) of the Act.

VII. CSR Expenditure & Surplus:

- (1) The Board shall ensure that the company spends, in every financial year, at least 2% of the Average Net Profits of the company made during the three immediately preceding financial years ;
- (2) Preference shall be given to local area and areas around company where it operates, for spending the amount earmarked for Corporate Social Responsibility activities;
- (3) Administrative overheads shall not exceed 5% of total CSR expenditure of the Company for any particular financial year;
- (4) 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;
- (5) In case of failure to spend CSR amount, the Board shall report the same in its report under Section 134 of the Companies Act, 2013, specifying the reasons for not spending the amount and unless the unspent amount relates to any ongoing project shall transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year;
- (6) Any CSR amount remaining unspent pursuant to any Ongoing Project, 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 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.
- (7) Where a company spends an amount in excess of requirement, such excess amount may be set off against the prescribed CSR expenditure to be expended up to immediate succeeding three financial years subject to the conditions that -
 - (i) Excess amount available for set off shall not include the surplus arising out of the CSR activities, if any; and
 - (ii) Board resolution shall have to be passed to effect.
- (8) The CSR amount may be spent by a company for creation or acquisition of a Capital Asset, which shall be held by -
 - (i) Company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and with CSR Registration Number; or
 - (ii) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities or a Public Authority.

- (9) **Transfer of Unspent CSR Amount** - The unspent CSR amount, if any, shall be transferred by the company to any fund included in Schedule VII of the Act or to the specified fund, as and when notified.

VIII. **CSR Implementation:**

The Board shall ensure that the CSR activities are undertaken by the company itself or through -

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

The Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR. And may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

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.

IX. **Responsibility:**

1. CSR Committee:

The Board shall constitute a CSR Committee, as desired, consisting of three or more directors, out of which at least one director shall be an independent director. Any change can be made with the approval of the Board. The CSR Committee shall:

- a) formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- b) recommend the amount of expenditure to be incurred on the CSR activities; and
- c) monitor the Corporate Social Responsibility Policy of the company from time to time.

- d) formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -
- 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 in line with the specified rules;
 - 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
 - v. details of need and impact assessment, if any, for the projects undertaken by the company;

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

2. Board of Directors:

- a) To consider and approve CSR Policy, with or without modifications, as recommended by CSR Committee and ensure disclosure of contents of Policy in the Board's report and on the company's website, if any.
- b) To ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.
- c) To ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years.
- d) To report CSR Activities in the Board's Report and disclose reasons for Unspent amount, if any, as against the prescribed minimum 2% CSR spend during FY.
- e) To approve the transfer of unspent CSR fund, if any, to the specified fund in Schedule VII of the Companies Act, 2013, within a period of six months of the expiry of the financial year; and
- f) In case of any Ongoing CSR Project, to ensure that the Unspent CSR Amount, be transferred to a special account to be opened for that behalf for that particular financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', within a period of 30 days from the end of the financial year and be expended within a period of three financial years.

As per Section Sec 135(9), where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the CSR Committee shall not be applicable and the functions of such Committee shall be discharged by the Board of Directors of such company.

As the Company is covered under Sec 135(9) and not having CSR Committee, the functions of CSR Committee shall be carried out by the Board itself.

X. Monitoring & Reporting of CSR Activities

To ensure effective implementation of the CSR Activities within specified budgets and timeframes as approved by the Board, the status of the implementation of the approved CSR Activities shall be reported to the Board of Directors.

The Board's Report of the company pertaining to any financial year shall include an annual report on CSR containing particulars specified in the Act.

Composition of CSR Committee, CSR Policy and Projects approved by the Board to be displayed on Company Website, if any.

XI. **Conclusion:**

The Board of Directors can amend its policy as and when required deemed fit. The Company shall be entitled to all the privileges, exemptions, relaxations, if any, as may be conferred by the Central Government/Ministry of Corporate Affairs or any other authority from time to time by way of amendment to provisions of Companies Act 2013, Rules, circular or otherwise. Such exemption/relaxation shall override the restrictive provision if any contained in this policy.

In case of any contradiction between the provision of law applicable to the Company from time to time and this Policy, then such provision shall override the relevant clause or part of the clause of this Policy without requiring any specific alteration to this Policy.

**SCHEDULE VII
(See Section 135)**

Activities which may be included by companies in their Corporate Social Responsibility Policies Activities relating to:—

(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 [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, 2[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.]