INDIAN REGISTER OF SHIPPING

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

TABLE OF CONTENTS

1. Introduction & Background

Indian Register of Shipping (IRS) was established as a public limited company, limited by guarantee, not having share capital under section 25 of the Indian Companies Act, 1956 (now section 8 of the Companies Act, 2013), “not for profit”, having no share capital, no shareholders and distributing no dividends.

2. Preamble

a. The Corporate Social Responsibility (CSR) Policy of IRS is issued and is in consistent with the framework mentioned hereunder:
   i. Section 135 of the Companies Act, 2013 (hereinafter referred as Act).
   ii. Companies (CSR Policy) Rules, 2014.
   iii. Schedule VII to the Act.
   iv. Ministry of Corporate Affairs (MCA) Notification relating to CSR Provisions and Rules as may be amended from time to time and for the time being in force.

b. This Policy supersedes the previous "CSR Policy", approved by the Board of Directors of IRS on 12th February 2016.

c. As and when the statutory amendments are introduced, the changes should be implemented immediately and only changes to be reported to the Board.

3. Aims & Objectives

- To develop a long-term vision and strategy for IRS CSR objectives.

- Establish relevance of potential CSR activities/projects/programs/initiatives (collectively referred to as the *CSR activities*) to IRS core business and its operations and

- Create an overview of activities to be undertaken, in line with Section 135 read with Schedule VII of the Companies Act, 2013 and Rules made thereunder.

4. Vision and Mission

Vision – To be an organisation always committed to its stakeholders to conduct business and its operations in a socially, environmentally and economically sustainable manner.

Mission – IRS aims to be a committed orgainisation, to promote safety and security of life and property at sea; protection of the marine environment; and to undertake CSR activities in accordance with the provisions of Section 135 of the Indian Companies Act, 2013 and Rules made thereunder; and expending a defined portion of its net profit for the betterment of society through CSR activities.

5. IRS CSR Activities

In pursuance of these objectives and keeping in mind its social responsibilities to its stakeholders and the society at large, as well as the environment in which it operates, IRS shall promote and focus CSR activities and annual plan in –

a) Providing opportunities for and promoting in every possible way, education to people/public, including children, women, visually challenged and differently abled persons.

b) Protection and preservation of the environment and its sustainability, particularly in areas of its principal operations and activities.

c) Eradicating hunger, poverty and malnutrition, promoting health care & sanitation and making available safe drinking water, sanitation, power and livelihood.

d) Supporting and encouraging maintenance of female hygiene

e) Promoting and supporting -
   - Education especially among under-privileged children, tribal children.
   - Skill Development and vocational training to enhance employment skills.
   - Under-privileged children particularly in rural/tribal areas for higher education.
   - Encourage women and girls to maintain health and hygiene

f) Supporting schools with –
   - Basic amenities and infrastructures like uniforms, books and study materials, computer labs, science labs, library, furniture, desk, benches, toilets, potable water, fans, solar panel, etc.
   - Electronic equipment like Television, Computers and other accessories/gadgets, including CCTV, Wi-Fi and internet connectivity, which are necessary and related to education, training, science and technology.
   - Promoting various sports activities among rural / tribal children.

g) Contribution and Financial Assistance to the needy students and people, by setting up small Manufacturing units, Training & Rehabilitation Centre, providing movable assets like tailoring machine, iron machine etc.

h) Promoting gender equality and empowering women including adult literacy for women and training in vocations pursued by women.

i) Providing opportunities for and promoting and developing in every possible way, education, training and awareness in the maritime field to public, including women and differently abled persons.

j) Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development.

k) Contribute to such other activities/projects as mentioned in Schedule VII of the Companies Act, 2013, as amended.

6. CSR Expenditure and Mandatory Spending

- IRS shall spend at least 2% of its average Net Profits in the immediately preceding three (3) financial years subject to the provisions of the Companies Act, 2013 (as may be amended from time to time and for the time being in force), in every financial year, and

- CSR Expenditure shall not include expenditure on any item not in conformity or not in line with CSR activities, which fall within the purview of the CSR activities listed in above.

- The administrative cost/overhead of any CSR activities shall not exceed 5% of the total CSR expenditure for the financial year

- The unutilized / unspent amount allocated related to the CSR activities will not lapse and shall be treated in accordance with the notification/circular, if any, issued by the MCA from time to time and as per the amendment in Act/CSR Rules.

- Any surplus arising out of the CSR activities will not form part of the business profit of IRS and shall be treated in accordance with the notification/circular, if any, issued by the MCA from time to time and as per the amendment in Act/CSR Rules.

- Excess CSR amount spent can be carried forward up to immediately succeeding three financial years and the excess amount can be set off against the required 2% CSR expenditure up to the immediately succeeding three financial years, subject to compliance with the conditions stipulated the Rules Companies (CSR Policy) Rules, 2014.

7. Organizational Structure

To manage the CSR Policy, to oversee the implementation of CSR activities of IRS, there will be three levels of committee viz.

- the CSR Committee of the Board (Level I Committee) as mandated by the Act, will be constituted and function, in accordance with the laws applicable from time to time.

- Executive Committee (Level II Committee), will independently authorise to expend CSR fund which are above the threshold limit prescribed for a single entity within the framework of CSR Policy approved by the Board

- Internal Management CSR Committee (Level III Committee), which will comprising of Senior Management Representatives, who would oversee, monitor and scrutinize the CSR appeal/request from the prospective entities.

7A. The CSR Committee of the Board (Level I Committee) will constitute of the following.

Presently, CSR Committee of the Company consisting of the following members in compliance with the provisions of Section 135 of the Companies Act, 2013.

Non-Executive Directors, Independent Director and Executive Chairman.

Roles & Responsibilities of Level I Committee

a) The Committee shall be responsible for monitoring and review of the CSR Policy from time to time and implementation of various CSR activities undertaken under the Policy.

b) Formulate and recommend to the Board the Annual Plan of CSR activities to be undertaken by the IRS.

c) The Committee shall endeavour to spend 2% of the average net profit as per the statutory requirement, during the preceding 3 financial years on CSR activities as enumerated above.

d) Approve CSR Expenditure of amount exceeding Rs.20 lakhs on a single CSR activity to be incurred on the CSR activities for the year and recommend to the Board for ratification and confirmation.

e) Approve and ratify all the CSR activities and CSR Expenditure spent by Level II and Level III Committees.

f) Establish a transparent mechanism for implementation of the CSR activities.

g) Implement and approve the standard operating procedures and administrative checklist for CSR activities to be undertaken by IRS.

h) Effectively monitor the execution of the CSR activities and ensure that necessary resources are committed towards promoting identified CSR activities and discharge CSR obligations.

i) Review the impact assessment of the CSR contribution made by IRS.

j) Report to the Board of Directors about the CSR activities undertaken /to be undertaken and CSR expenditure incurred/to be incurred for the year for noting and recording.

7B. The Executive Committee (Level II Committee), will constitute of:

- Managing Director and
- Joint Managing Director

Roles & Responsibilities of The Executive Committee (Level II Committee)

(a) Approve CSR Expenditure to be incurred on the CSR activities for the year, for an amount exceeding Rs.10 lakhs, but not exceeding Rs.20 lakhs for a single entity within the framework of CSR Policy approved by the Board.

(b) Approve and ratify all the CSR activities and CSR expenditure approved by Level III Committee.

(c) The Committee shall be responsible for implementation of various CSR activities undertaken under the Policy.

(d) Effectively monitor the execution of the CSR activities

(e) Report to Level I Committee about CSR activities and CSR expenditure undertaken /approved for the year for noting and recording.

7C Internal Management Committee (Level III Committee), will constitute of:

a) Company Secretary
b) Chief Financial Officer / Head Finance & Accounts
c) Head – HR
d) Head – Administration
e) VP – Corporate Affairs and
f) Such other officers as may be authorised to be a part of the said Internal Management Committee.

Roles & Responsibilities of the Internal Management Committee (Level III Committee)

a) Level III Committee will oversee, monitor and scrutinize the CSR appeal/request from the prospective entities.

b) Approve the CSR activities as per the standard operating procedures and CSR Policy approved by the Board

c) Approve the CSR expenditure for amount not exceeding Rs.10 lakhs on a single CSR activity to be incurred for the year

d) Refer and recommend CSR expenditure for amount exceeding Rs.10 lakhs on a single CSR activity to be incurred for the year to the Level II Committee for approval.

e) Interact with the CSR beneficiaries at regular intervals for any additional need.

f) Review the impact assessment of the CSR contribution made by IRS.

g) Report to Level II Committee about the CSR activities and CSR expenditure undertaken for the year for noting and recording.

7D CSR Approval Matrix for the CSR Activities (section 5) and CSR Expenditure (section 6) should be as per the CSR Policy approved by the Board.

CSR Approval Matrix

Level I Committee	*Level II Committee*	*Level III Committee*
a) ***Approve CSR activities and CSR expenditure above Rs.20 lakhs for a single CSR activity to be incurred for the year.***	a) ***Approve CSR activities and CSR expenditure above Rs.10 lakhs but not exceeding Rs.20 lakhs for a single CSR activity to be incurred for the year.***	***a) Approve CSR activities and CSR expenditure not exceeding Rs.10 lakhs for a single CSR activity to be incurred for the year.***
b) ***Approve and ratify all the CSR Activities and CSR Expenditure spent by Level II and Level III Committees.***	b) ***Approve and ratify all the CSR activities and CSR expenditure approved by the Level III Committee.***	***b) Recommend the CSR activities and CSR expenditure where the single CSR activity is more than Rs.10 lakhs to the Level II Committee.***

c) Report to the Board of Directors about the CSR activities undertaken /to be undertaken and the CSR expenditure incurred/to be incurred for the year for noting and recording	***c) Recommend the CSR activities and CSR expenditure to the Level I Committee where the single CSR activity is more than Rs.20 lakhs.***	***c) Report to the Level II Committee about the CSR activities and CSR expenditure undertaken for the year for noting and recording.***
	d) Report to the Level I Committee about the CSR activities and CSR expenditure undertaken/ approved for the year for noting and recording.	

8. Responsibility of the Board

- Approve the CSR Policy and CSR Expenditure expended / to be expended for the year, after taking into consideration the reporting made by the CSR Committee.
- Approve CSR Budget and ensure the CSR spending every financial year of at least 2% of average net profits made during immediately preceding 3 financial years, in pursuance with the CSR Policy.
- To note and take on record the report of CSR Committee (Level I Committee) and ratify the same.

9. Implementing CSR Activities

- CSR activities may be undertaken/implemented through various implementing agencies such as, NGO's, Non-profit Organizations and section 8 companies, registered public trust/society etc.
- The implementing agencies selected for CSR activities should have an established track record of at least 3 years with audited requirements (if applicable) and must be registered with Ministry of Corporate Affairs (if applicable).

- IRS may, with the approval of the CSR Committee, collaborate with other companies for undertaking the CSR activities, subject to fulfilment of separate reporting requirements as prescribed in the CSR Rules.

- The implementation and execution of the CSR activities shall normally be carried out through the Administration Department of IRS, under the guidance of the CFO/ Head - Finance & Accounts, CS and where required, the Chairman. Further, IRS employees may be involved as volunteers in CSR activities and events, thereby providing them an opportunity to engage in socially meaningful activities.

- The Company may undertake the CSR activities across India and preference will be given to the local areas.

- The initiatives undertaken may be communicated to employees through in-house media and specific awareness campaigns, to enable maximum participation.

10. CSR Reporting & Disclosure

- The Board in its Annual Report shall include the details of the CSR activities undertaken in the financial year, as per the format provided under the Companies Act, 2013 & Rules made thereunder.

- CSR Policy and CSR activities shall be displayed on the IRS website.

- The return/form shall be filed with the Ministry of Corporate Affairs/ROC as per the requirements of the Companies Act, 2013

- A certificate of utilization of funds disbursed for CSR activities in a financial year shall be obtained from the Chief Financial Officer/Person-in-Charge (Finance) and put up to the Board to satisfy that the funds so disbursed have been utilized for the purposes and in the manner as approved by it. Draft Certificate is attached.

11. Amendments

The Policy may be reviewed and amended from time to time.

The statutory amendments, if any, shall forthwith be implemented by IRS and consequent changes in this Policy shall be carried out with approval from Executive Chairman of IRS and be communicated on the relevant platform.

The Board and CSR Committee are kept informed about the said amendment at the first Board Meeting and CSR Committee Meeting respectively 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.

Recommended by the CSR Committee and approved by the Board of Directors on 21st March 2025.

Specimen of CFO/ Head - Finance & Accounts Certificate
for utilisation of funds disbursed for CSR activities

To
The Board of Directors
Indian Register of Shipping
Mumbai

This is to certify that the following funds were disbursed and utilised for CSR activities, as approved by the Board of Directors and monitored by the CSR Committee, during the period 1st April …… to 31st March …..

(Amounts in Rupees)

Name of CSR Project	Implemented through (Direct or others)	Amount Sanctioned	Amount Disbursed	Amount Utilised	Unspent Amount, if any

Company / Implementing Agency records of CSR activities, as available with the Company / Implementing Agency, gives reasonable assurance about the utilisation of the funds disbursed by the Company to Implementing Agencies for undertaking approved CSR activities.

For and on behalf of
Indian Register of Shipping

____
Name:
Title : Chief Financial Officer/ Head - Finance & Accounts

Date:
Place: