

# Annexure-V to Board's Report

## ANNUAL REPORT ON CSR ACTIVITIES

**1. A brief outline of the Company' CSR Policy including an overview of projects or programs proposed to be undertaken:**

The CSR Policy of Sterling Tools Limited is based on the philosophy of giving back to the society by addressing the needs of communities residing in the local vicinity by undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

A detailed policy was framed on CSR and it was duly approved by the CSR Committee and Board of Directors vide their meeting held on 05<sup>th</sup> November, 2014. The said policy covers the followings:

- Philosophy of the Company on CSR
- CSR Policy
- Implementation
- Governance
- CSR Expenditure

The Projects to be undertaken, inter alia, include the promotion of education, providing preventive healthcare and providing sanitation and drinking water to those from disadvantaged sections of society, especially in the Company' local vicinity in Faridabad as well as to promote sports.

Broadly, the Projects undertaken/to be undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013. The detailed CSR Policy of the Company is available on the website of the Company.

- 2. The composition of the CSR Committee:** The Company has a CSR Committee of directors comprising of Mr. Anil Aggarwal as Chairman of the Committee, Mr. Atul Aggarwal and Mr. C.R. Sharma as Members of the Committee.
- 3. Average Net Profit of the Company for the last three financial years for the purpose of computation of CSR:** Rs. 64.88 Crores
- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 12976565/-
- 5. Details of CSR spent during the financial year:** Rs. 1,30,00,000/-
- a. **Total amount to be spent for the financial year:** Rs. 1,30,00,000/-
  - b. **Amount unspent:** Rs. NIL/-
  - c. **The manner in which the amount spent during the financial year:** The Company is managing its CSR activities through Sterling Tools Foundation, an NGO established by the Company for said purpose. The Company has a vision, under CSR, to undertake a project which



is primarily relating to providing basic health related check-ups by running a charitable OPD center in the local vicinity. For said purpose, the said Foundation is accumulating the funds under a Corpus which will be spent for opening of a charitable OPD in the local area. The major part of CSR contribution of this Financial year was given as Corpus Fund to said Foundation and some part of contribution was spent by the said Foundation on various activities relating to primary education, Eradicating hunger, poverty and malnutrition, facilities for senior citizens, environmental sustainability, paralympic sports and Olympic sports. A brief report detailing the amount spent under CSR by said Foundation is attached herewith.

**6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report.**

Based on the calculation as provided in the provisions of Section 198 read with Section 135 of Companies Act, 2013, our Company was required to incur Rs. 1,29,76,565/- on Corporate Social Responsibility activities against which, the Company had actually incurred Rs. 1,30,00,000/- during Financial Year 2019-2020.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that the implementation and monitoring of the CSR policy are in compliance with CSR objectives.

**The manner in which the amount spent by Sterling Tools Limited during the financial year is detailed below:**

Sr. No.	CSR Project or Activity identified	The sector in which Project is covered	Specify the area where projects or programs were undertaken	Budget project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent: direct or through implementing agency
1.	Promoting health care including preventive health care	Payment to Sterling Tools Foundation (Regd.)	Delhi, NCR	1,29,76,565/-	1,30,00,000/-	1,30,00,000/-	Direct:
<b>Total</b>				1,29,76,565/-	1,30,00,000/-	1,30,00,000/-	