

Corporate Social Responsibility Policy

Philosophy:

Sterling Tools Limited (STL) do recognize that business enterprises are economic organs of society!

STL is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. The company constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness.

CSR Policy:

It is STL' policy:

1. To direct STL's CSR Programmes, inter alia, towards achieving one or more of the following - Supporting rural development; promoting education; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India; preserving and promoting sports;
2. To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social and economic development;
3. To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
4. To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
5. To carry out CSR Programmes in relevant local areas to fulfil commitments arising from requests by government/regulatory authorities and to earmark amounts of monies towards "Corporate Social Responsibility (CSR)" activities and to spend such monies through CSR Cells of such administrative bodies of the government and/or directly by way of developmental works in the local areas around which the Company operates;

Implementation:

To implement the Company's CSR Programmes through Company personnel or through external implementing agencies, in such cases, the Company will specify the CSR Programmes which may be undertaken by those external Implementing agencies.

Governance:

1. Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.
2. The Corporate Social Responsibility Committee (CSR) will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit.
3. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the Committee may direct.
4. The CSR Committee shall review the implementation of the CSR Programmes and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
5. Once every six months the CSR Committee will provide a status update to the Board on the progress of implementation of the approved CSR Programmes carried out during the six month period.
6. At the end of every financial year, the CSR Committee will submit its report to the Board.

CSR Expenditure:

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.