

**CORPORATE SOCIAL RESPONSIBILITY POLICY**  
**(CSR POLICY)**

**DME DEVELOPMENT LIMITED**  
**(DMEDL)**

## **POLICY FOR CORPORATE SOCIAL RESPONSIBILITY**

### **I. WHY CSR:**

Corporate Social Responsibility (CSR) is a Company's sense of responsibility towards the ecological, physical and social environment in which it operates. CSR is a self-regulation business model through which corporate entities achieve balance on economic, environmental and social imperatives with their operations and development. It is a step towards organizations to become socially responsible corporate citizens and creates positive impact on the environment, communities and societies.

### **II. PREAMBLE**

DME Development Limited is a responsible corporate organization. DMEDL strongly believes that development of the society is a key to sustained growth and development of the corporate community. DMEDL therefore strives to run its business in an environment friendly manner with a commitment to provide social upliftment of the people in such a way that it positively affects the society socially, morally, ethically and environmentally.

It is continuing corporate practice of DMEDL, to value its commitments and grow in a socially and environmentally responsible way which values the interests of all stakeholders including the society. DMEDL firmly believe that Corporate Social Responsibility (CSR) is a very significant initiative in order to achieve a development on a wider scale at grass root level.

To this end, the Company seeks to undertake Corporate Social Responsibility ("CSR") activities, which extend beyond the scope of the business and focuses on human, environmental and social assets, with a special focus on addressing hunger, malnutrition, education and health.

This policy in relation to the Corporate Social Responsibility ("CSR") of DME DEVELOPMENT LIMITED is titled as the "**CSR Policy**" and shall include any alterations, amendments or modifications hereto from time to time.

### **III. OBJECTIVE AND APPLICABILITY**

The objective of the CSR Policy ("Policy") is to lay down the guiding principles in undertaking various programs and projects by or on behalf of the Company relating to Corporate Social Responsibility ("CSR") within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014 ("Rules") as amended from time to time.

The Policy shall apply to all CSR projects/program undertaken by the Company in India as per Schedule VII of the Act as amended from time to time. The policy shall be applicable to all CSR activities of the Company whether carried by it directly or through any Implementation agency.

#### IV. DEFINITION AND INTERPRETATION

1. **“Act”** means the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.
2. **“Administrative Overheads”** means the expenses incurred by the Company for ‘general management and administration’ of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme.
3. **“Approved Budget”** shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.
4. **“Board”** means the Board of Directors of the Company.
5. **“Company/DMEDL”** means DME Development Limited.
6. **“CSR Activities”** means such programs and projects as may be approved by the Board in terms of this CSR Policy.
7. **“CSR Annual Plan”** shall mean the annual plan detailing the CSR expenditure for the year.
8. **“CSR Committee”** means a committee constituted by the Board of Directors in terms of Section 135 of the Act and the CSR Rules.
9. **“CSR Rules”** means the Companies (Corporate Social Responsibility Policy) Rules, 2014.
10. **“CSR Expenditure”** means the amount recommended by the CSR Committee to be incurred on the CSR Activities in terms of the Act and the CSR Rules as approved by the Board from time to time.
11. **“Director”** means a member of the Board of the Company.
12. **“Financial Year”** shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year
13. **“Net Profits”** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013.
14. **“Society”** means a society registered under the Societies Registration Act, 1860 or any other applicable law in India.
15. **“Trust”** means a trust registered under the Indian Trusts Act, 1882 or any other applicable law in India.

Any term not defined above, shall have the meaning assigned to it under the Act or

the CSR Rules.

## **V. CSR COMMITTEE**

1. The Corporate Social Responsibility (CSR) Committee of the Company shall be constituted in accordance with the applicable laws.
2. The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules.
3. The CSR Committee shall consist of three Directors out of which one shall be the Independent Director. The CSR Committee of the Company comprises of the following Directors/members:

<b>S. No.</b>	<b>Name of Members</b>	<b>Nature of Directorship</b>	<b>Designation of Members in CSR Committee</b>
1.	Mr. Rajesh Ranjan	Independent Director	Chairman
2.	Mr. NRVVMK Rajendra Kumar	Nominee Director	Member
3.	Mr. Ananta Manohar	Nominee Director	Member

The number of members of the CSR Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of the applicable law.

### **a. Powers and Functions of CSR Committee**

The CSR Committee of the Company is vested with the following functions and powers:

- To formulate a CSR Policy and recommend to the Board for approval;
- To recommend CSR Activities to be undertaken by the Company as specified in Schedule VII of the Act and rules made thereunder;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor and amend the Corporate Social Responsibility Policy of the Company from time to time as may be required;
- To carry out any other function as mandated by the Board from time to time.

### **b. Meetings of CSR Committee**

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary:

The CSR Committee shall convene its meetings as and when deemed

necessary, in accordance with the applicable provisions of the Companies Act, 2013, and the rules framed thereunder.

- The quorum for the CSR Committee Meeting shall be one-third of its total strength of directors or two members, whichever is higher;
- The meetings shall be held at the registered office or at any other place as may be agreed by the members of the Committee.
- The membership of the CSR Committee shall be disclosed in the Board Report;
- The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient;
- The proceedings of the Meetings of the CSR Committee must be minuted and signed by the Chairperson of the Committee at the subsequent Meeting.

## VI. CSR ACTIVITIES

1. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, woman, 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 back ward groups;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- (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 arts and handicrafts;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for social-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

- (x) Rural development projects;
- (xi) Such other activities as may be specified under the Act or the CSR Rules from time to time.

2. The CSR Activities will be carried out in a manner that the preference is to undertake the CSR Activities in and around the local areas where the Company operates.
3. Based on the scope of activities, the CSR Committee shall provide recommendations to the Board with respect to specific CSR Activities that may be undertaken by the Company.
4. The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.
5. The following details of any CSR Activities to be undertaken by the Company shall be presented to the Board by the CSR Committee along with its recommendations:
  - (i) The objectives and expected results of the CSR Activity;
  - (ii) The relevant sector and the nature of the CSR Activity;
  - (iii) The focus area/ location for implementation of the CSR Activity;
  - (iv) The amount to be allocated towards the CSR Activity;
  - (v) The indicative timelines for completion of the CSR Activity;
  - (vi) Whether the CSR Activity should be undertaken by the Implementation Group or any Implementing Agency or in collaboration with any other company; and
  - (vii) Such other details as it may deem necessary.
6. In case any of the CSR Activities to be undertaken are anticipated to be long term, then a detailed estimate on implementation schedule or milestones should be submitted by the CSR Committee to the Board.
7. Based on the recommendations of the CSR Committee, the Board shall approve the following:
  - (i) The specific CSR Activities that should be undertaken by the Company from time to time;
  - (ii) The amount that should be deployed towards such CSR Activity;
  - (iii) Whether the CSR Activities will be undertaken directly by the Company or through an Implementing Agency or in collaboration with any other companies [and record reasons for the same].

## **VII. IMPLEMENTATION OF THE CSR POLICY**

1. The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules.
2. Mode of Implementation: The CSR Activities may be undertaken by the Company

directly or through the Implementation Agency or with the prior approval of the Board:

- (i) through a Trust, or a Society or a Company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act or otherwise; and/ or
- (ii) through a Trust, or a Society or a Company established under section 8 of the Act with an established track record of three years in undertaking similar programs or projects; and/ or
- (iii) in collaboration with other Companies or NGOs; or
- (iv) in collaboration with any Industry Body coordinating such activities; or
- (v) direct contribution / implementation of any project approved by CSR committee/Board; or
- (vi) Contribution to PM Relief Fund or any other fund as may be notified by Government

(the entities referred to under sub-clause (i) and (ii) above, are hereinafter referred to as "**Implementing Agencies**").

## **VIII. CSR EXPENDITURE**

1. The CSR Committee shall recommend the amount of CSR Expenditure to be incurred in a year, in accordance with the Act and the Rules. For this purpose, the Board shall ensure a designated officer from the finance department of the Company to provide the relevant financial data and such other necessary details to the CSR Committee to enable the Committee to recommend the amount of CSR Expenditure to the Board.
2. The Board shall be responsible for sanctioning the CSR Expenditure and taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Group for application towards the CSR Activities.
3. The Board shall ensure that the CSR Expenditure in a financial year is at least two per cent of the average Net Profits of the Company made during the three immediately preceding financial years.
4. Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be re-allocated to the CSR Activities being undertaken in terms of this CSR Policy.
5. In order to count towards CSR Expenditure, CSR Activities must be carried out in India and should not be solely for the benefit of the employees of the Company and their families.
6. Any amounts expended while undertaking activities in pursuance of normal course of business of a Company or on an item not in conformity or in line with activities set

out in Schedule VII of the Act, will not form a part of CSR Expenditure.

## **IX. MONITORING PROCESS**

1. The CSR Committee shall review the implementation of the approved CSR Program;
2. The performance of the Company's CSR activities shall be reviewed and monitored from time to time, including annual review by the CSR Committee;
3. The Member of the CSR Committee shall be responsible for monitoring the expenditure on CSR activities with respect to the plan and submission of the same to the CSR Committee;
4. The CSR Committee will submit a report to the Board at the end of the year as per the format prescribed under Companies Act, 2013 and applicable law. The Board will report CSR performance in its report of Board of Directors.

## **X. REPORTING AND RECORD KEEPING**

1. The CSR Committee shall maintain proper minutes of all its meetings.
2. The Board's report of the Company shall include an annual report on CSR containing the particulars and such other details as may be prescribed from time to time under the Act and the CSR Rules.
3. The Board will be responsible to ensure that:
  - (i) The report of the Board includes the annual report on CSR Activities of the Company and sets out the requisite information in terms of the Act and the Rules; (Annexure – A)
  - (ii) The contents of the latest and updated version of the CSR Policy are included in the report of the Board;
  - (iii) The contents of such policy are also made available on the website (if any) of the Company.
  - (iv) In case of failure to ensure the minimum CSR Expenditure, detailed reasons for the same are adequately disclosed in the Board Report.

## **XI. QUANTUM OF CSR INVESTMENT**

1. Pursuant to the provision of Section 135(5) of the Act, the CSR Committee of the Company shall 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 on the CSR activities of the Company specified under Schedule VII of the Act.
2. If the Company fails to spend such amount which is not related to any ongoing projects, the Board shall in its report made under clause (o) of sub-section (3) of Section 134, specify the reasons for not spending the amount and transfer such unspent amount to a Fund specified under Schedule VII within a period of six months of the expiry of the financial year.

3. In case the unspent amount relates to any ongoing projects, subject to fulfilling of prescribed conditions, unspent amounts to 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". Such amount shall be spent by the Company in pursuance of its obligation towards the Policy 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.
4. The Board shall ensure that the administrative overheads shall not exceed such percentage of the total CSR expenditure of the Company as prescribed and notified in the Act read with CSR Rules
5. Any surplus arising out of CSR activities shall be prohibited to form part of business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of the CSR policy or transfer such surplus amount to a Fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year.
6. If the Company spends an amount in excess of requirement, such excess amount may be set off against the CSR spending requirement up to immediate succeeding three financial years subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities.

## **XII. AMENDMENT**

1. The Board of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

## **XIII. Effective Date**

1. This CSR Policy comes into effect immediately, as approved by the Board of Directors at its meeting held on **10<sup>th</sup> November, 2025**.

**ANNEXURE A**  
**FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE**  
**BOARD'S REPORT**

1. Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. The Composition of the CSR Committee.
3. Average net profit of the company for last three financial years
4. Prescribed CSR Expenditure (two per cent, of the amount as in item 3 above)
5. Details of CSR spent during the financial year.
  - (a) Total amount to be spent for the financial year;
  - (b) Amount unspent, if any;
  - (c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>S. No.</b>	<b>CSR project or activity identified</b>	<b>Sector in which the project is covered</b>	<b>Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.</b>	<b>Amount outlay (budget) project or programs wise</b>	<b>Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:</b>	<b>Cumulative expenditure upto the reporting period</b>	<b>Amount spent: Direct or through implementing agency</b>
1.							
2.							
3.							
4.							
	<b>TOTAL</b>						

\*Give details of implementing agency:

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

Sd/-

**(Chief Executive Officer or Managing Director or Director)**

Sd/-

**(Chairman CSR Committee)**