DCM SHRIRAM INTERNATIONAL FINE CHEMICALS

DCM Shriram Fine Chemicals Limited

Corporate Social Responsibility (CSR) Policy

(Approved by the Board on 24.12.2025)

Preamble

Corporate Social Responsibility (CSR) is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives, while at the same time addressing the expectations of shareholders and other stakeholders.

The practice of CSR is not new to companies in India. So is the case with DCM Shriram Fine Chemicals Limited, which has been carrying on various CSR activities for the benefit of the society at large and particularly in and around the areas where its works are located.

CSR Committee

In compliance with Section 135 of the Companies Act, 2013 (the 'Act') and the Companies (CSR Policy) Rules, 2014, as amended, (the 'Rules, the Board of Directors in its meeting held on 24.12.2025 had constituted a CSR Committee of the Board.

Aim of the CSR Policy

This Policy aims to support various activities for betterment of the environment and living conditions of the population directly or through recognized agencies / funds. Such activities will cover one or more of the CSR activities laid down in Schedule VII of the Act,, as revised from time to time. The Policy means a statement containing the approach and direction given by the Board of the 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.

Projects and Programmes

The Company may undertake any one or more of the following activities in areas or subject, as specified in Schedule VII of the Act and Rules, as may be recommended by the CSR Committee of the Board and approved by the Board of Directors from time to time depending on the resources and opportunities available:

i. Eradicating hunger, poverty and malnutrition, promoting health care, including preventive health care, and sanitation including contribution to

the Swach 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 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 centers 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 building and sites of historical importance and work 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; 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 Scheduled Castes, the Scheduled 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; and

xiii. Any other activities, which may be included in Schedule VII from time to time.

However, it is made abundantly clear that the following activities will not be considered as CSR activities:

i. activities undertaken in pursuance of normal course of business of the Company:

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 Company on sponsorship basis for deriving marketing benefits for its products or services; and

vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India.

CSR Expenditure

i. Every financial year the Company shall spend the amount equivalent to at least 2% of its average net profits (calculated as per Section 198 of the Act) made during the three immediately preceding financial years towards CSR

activities.

ii. The administrative overheads i.e., the expenses incurred by the Company for 'general management and administration' of Corporate Social Responsibility functions in the Company, shall not exceed 5% of total CSR expenditure of the Company for the financial year. However, it shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

iii. Any surplus arising out of the CSR activities will not form part of the business profit of a Company and will be ploughed back into the same project/ programme, or will 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 of the Companies Act, 2013, within a period of six months of the expiry of the financial year.

iv. Any amount spent in excess of the mandatory requirement in any financial year, will be adjusted within immediate succeeding three financial years with the approval of the CSR Committee and the Board.

Implementation

Projects will be undertaken either by the Company itself or through a trust or a company formed by the Company for this purpose or in partnership with recognized NGOs, trusts or other accredited agencies registered with the Central Government having a valid CSR Registration Number.

Annual Action Plan

The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan in pursuance of its CSR policy, which shall include the following:

(a) the list of CSR projects or programmes that are approved to be undertaken in areas;

(b) the manner of execution of such projects or programmes;

(c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if required, for the projects undertaken by the Company.

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Monitoring/ Evaluation Mechanism and Assessment

The CSR Committee shall monitor the CSR Policy of the Company from time to time.

The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company which shall include the following:

i. A programme indicating the areas in which funds are to be spent during the year and a time schedule will be placed before the CSR Committee for consideration and recommendation to the Board of Directors. Action taken report will be placed before the CSR Committee from time to time.

ii. The Company shall ensure that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer will certify to the effect annually.

iii. The Company will further monitor the implementation and progress of the ongoing projects 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.

Dissemination of Information

The Composition of the CSR Committee, the CSR Policy and Projects, if any, approved by the Board of the Company shall be placed on the Company's website viz. https://dsfcl.com/

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A detailed status report on the CSR activities carried out by the Company shall be disclosed every year as a part of the Board's Report in the Annual Report in the prescribed format.

The CSR Committee will also make a Responsibility Statement stating that the CSR Policy implementation and monitoring thereof is in letter and spirit, in compliance with the CSR objectives of the Company.

The Company's CSR Policy conforms to the Corporate Social Responsibility as stipulated under the Act and the Rules. This Policy is subject to review by the CSR Committee / Board of Directors, as and when the need arises or is required.

Sd/-
(Urvashi Tilakdhar)
Senior Managing Director

Dated: 24.12.2025