



CARRIER TECHNOLOGIES INDIA LIMITED

Registered Office: Unit No. 8, 1st Floor, The Centrium,
Lal Bahadur Shastri Marg, Kurla West, Mumbai-400070, Maharashtra, India
Tel: 022-61700700, Website: <https://www.carrier.com/commercial/en/in/investor/>
CIN: U29193MH1981FLC024364

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. INTRODUCTION

Carrier Technologies India Limited (“**the Company**”) deals in business of design, sale/supply, import/export of fire-fighting equipment and fire protection systems. The Company offers a broad portfolio of world-class fire safety and security brands that provide solutions for fire detection and suppression, intrusion detection, access control and video surveillance, with installation, inspection, monitoring and response solutions for customers worldwide in a variety of application and settings. Each fire installation is custom designed and engineered to meet the specific requirements of the customers in compliance with both national and international standards. The Company is in constant touch with the world leaders in fire protection field to provide its clients with latest products and systems.

2. CSR PHILOSOPHY

Responsibility and operational excellence are fully integrated at the Company. How our people perform is as important as how our products operate. Corporate citizenship at the Company includes minimizing the environmental impact of our products and operations, providing a safe work environment for employees, developing energy-efficient products, and supporting charitable and social causes in the communities where we do business.

These policies and procedures are framed to streamline the CSR activities of the Company to be in line with the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules framed thereunder.

3. TITLE

This Corporate Social Responsibility Policy shall be called as Carrier Technologies India Limited - Corporate Social Responsibility Policy (hereinafter referred as the “**CSR Policy**”)

4. APPLICABILITY

The Policy shall apply to all CSR projects, programs, activities undertaken by the Company in accordance with the CSR Policy.

5. SCOPE

In furtherance of its CSR objectives the following are covered under this CSR Policy:

- i. CSR activities implemented by the Company on its own
- ii. CSR activities implemented by the Company through own trust/society or group company trust/society
- iii. CSR activities of the Company through an external registered trust/society or NGO with at least 3 years track record



- iv. CSR activities in collaboration with its subsidiary / holding / associate companies
- v. CSR activities implemented by the Company through a company established under section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company
- vi. CSR activities in collaboration with other companies in such a manner that the CSR Committees of respective companies are in position to report separately on such projects in accordance with Companies (Corporate Social Responsibility Policy) Rules framed thereunder

6. DEFINITIONS & REFERENCES

i. DEFINITIONS

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules framed thereunder including any statutory modifications or reenactments thereof. In this instrument the following expressions including their grammatical variations and cognate expressions shall, unless repugnant to the context or meaning thereof, have the meaning assigned to them respectively hereunder:

- “**Act**” means the Companies Act, 2013 including any statutory modification or reenactment thereof.
- “**Administrative overheads**” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or program.
- “**Board**” means the Board of Directors of the Company.
- “**Board’s Report**” shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.
- “**Company**” means Carrier Technologies India Limited, a Company registered under the Companies Act, 1956 having CIN: U29193MH1981FLC024364 and having its Registered Office at Unit No. 8, 1st Floor, The Centrium, Lal Bahadur Shastri Marg, Kurla West, Mumbai - 400070, Maharashtra, India.
- “**CSR**” means Corporate Social Responsibility.
- “**Corporate Social Responsibility (CSR)**” means the activities undertaken by a Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, but shall not include the following namely:-
 - activities undertaken in pursuance of normal course of business of the company.



- 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.
 - contribution of any amount directly or indirectly to any political party under section 182 of the Act
 - activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019).
 - activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.
 - activities carried out for fulfilment of any other statutory obligations under any law in force in India.
- “**CSR Committee**” means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
 - “**CSR Policy**” means a statement containing the approach and direction given by the board of a 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.
 - “**CSR Rules**” means Companies (Corporate Social Responsibility Policy) Rules framed under the Act and as amended or modified from time to time.
 - “**Independent Director**” means a non-executive director of the Company within the meaning of section 2(47) of the Act.
 - “**International Organization**” means an organization notified by the Central Government as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947), to which the provisions of the Schedule to the said Act apply.
 - “**Net Profit**” means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
 - any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act: Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
 - “**Ongoing Project**” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;
 - “**Section**” means a section of the Act.



ii. REFERENCES

Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution, or re-enactment thereof.

7. CSR COMMITTEE

- i. The CSR committee shall comprise of three or more directors as the Board may deem fit from time to time, to be appointed from amongst the Directors. Provided however that at least one of the directors of the CSR Committee shall be an Independent Director. The Board shall at its sole discretion, have the power to appoint any Director, remove any such Director so appointed and appoint another in his place. Any such appointment and/or removal shall be made by a resolution of the Board.
- ii. The Chairperson of the Committee shall be designated by the Board from among the Committee members.
- iii. The Company Secretary of the Company shall act as Secretary to the Committee.
- iv. The Board will have the power to reconstitute CSR Committee as and when required from time to time.
- v. The Board of Directors of the Company have constituted CSR Committee as per the provisions of the Companies Act 2013, consisting of the following Board Members at present:
 1. Mr. Srinivas Kotni (DIN: 01085277) - Independent Director
 2. Ms. Vasanthi Narayana (DIN: 08319835) - Whole-time director
 3. Mr. Farokh Phiroz Madan (DIN: 07412324) - Non-Executive Director
- vi. The CSR Committee may meet as and when required. The CSR Committee shall be entitled to invite any person to attend its meetings and participate in the discussion and deliberations if it so thinks fit.
- vii. The quorum necessary for the transaction of business of CSR Committee shall be 2 members or 1/3rd of the total committee members, whichever is higher. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee as provided herein and delegated by the Board from time to time.
- viii. The CSR Committee shall:
 - a. Recommend the specific CSR initiatives to be adopted by the Company and the amount of expenditure to be budgeted for the activities.
 - b. Monitor or, appoint a senior official of the Company to monitor and report to the CSR Committee regarding functioning of the CSR Policy of the Company, its implementation and expenditure incurred periodically.
 - c. Report to the Board the reasons for not spending the amount budgeted for CSR.



- d. Provide to the Board a responsibility statement that the implementation and monitoring of CSR Policy, is in compliance with the CSR Objectives and Policy of the Company.
- e. Frame any other byelaws, rules or procedures as it may deem fit for administering the CSR Policy.
- f. CSR Committee, in the exercise of its powers, may require any information from the company, and / or seek the assistance of any employee of the Company as it may deem fit to effectively discharge its duties.
- g. Perform all functions as may be delegated by the Board from time to time.

8. IMPLEMENTATION PROCESS:

- i. The Board shall ensure that the CSR activities are undertaken by the company itself or through-
 - a) a company established under Section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - c) any entity established under an Act of Parliament or a State legislature; or
 - d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- ii. Every entity, covered under clause (i) above who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar with effect from the 01st day of April, 2021. On the submission of the Form CSR-1 on the portal, a unique CSR Registration Number shall be generated by the system automatically. Provided that this shall not affect the CSR projects or programs approved prior to the 01st day of April, 2021.
- iii. The Company may engage international organisation for designing, monitoring and evaluation of the CSR projects or programs as per its CSR policy as well as for capacity building of their own personnel for CSR.
- iv. The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.
- v. The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.



- vi. In case of ongoing project the Board of the Company shall monitor the implementation of the project 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.
- vii. The CSR Policy shall be implemented by the CSR Committee under the broad policy and/or framework laid down by the Board in this regard from time to time. CSR Committee may nominate a senior official of the Company to help execute and monitor implementation of the CSR activities. Such senior official shall directly submit his/her report to the CSR Committee. The CSR Committee shall authorize any of its members to approve the release of funds against the verified work plans in accordance with the approved budget for undertaking the CSR activities as approved by the Board. The authorized member shall periodically update the members of the Committee about the allocation / utilization of funds towards the CSR activities.
- viii. The CSR Committee shall identify the CSR activities along with the geographical area to be undertaken by the Company. The CSR Committee shall also estimate the total amount of expenditure to be incurred and time required by the Company for undertaking such CSR activities. The time period/duration over which a particular project will be spread, will depend on its nature, extent of coverage and the intended impact of the project.
- ix. 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, namely:-
 - a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b) the manner of execution of such projects or programs;
 - c) the modalities of utilization of funds and implementation schedules for the projects or programs;
 - d) monitoring and reporting mechanism for the projects or programs; and
 - e) details of need and impact assessment, if any, for the projects undertaken by the company;

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

9. CSR ACTIVITIES

- i. The Company shall undertake such CSR activities as stated by this CSR Policy. In compliance with applicable Rules of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (Annexure-I), these activities shall be undertaken by the Company as projects (either new or ongoing) and will exclude activities undertaken in the normal course of its business. The activities undertaken will be in line with the activities specified in Schedule VII of the Companies Act, 2013.
- ii. Thrust Areas: While the Company is eligible to undertake any suitable/rightful activity as specified in Schedule VII of the Act, however, at present, it proposes to undertake the relevant activities on priority basis in the following thrust areas:



- Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
 - 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;
 - Environment Sustainability, ecological balance
 - Promoting Health Care including preventive health care and sanitation
 - Technology Development
 - Poverty Alleviation
 - The Company may also contribute suitable amounts to PM Relief Fund or Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- iii. The CSR activities shall be undertaken only in India.
- iv. The CSR projects or programs or activities undertaken by Company that benefit only the employees of the Company or their families is also not considered as a CSR activity by the Company.
- v. Contribution of any amount directly or indirectly to political parties under section 182 of the Companies Act, 2013 is not considered as CSR activity.

10. CSR EXPENDITURE

- i. The Company shall spend at least 2% of average Net Profit of preceding three financial years, net profit being calculated in accordance with section 198 of the Companies Act, 2013.
- ii. CSR expenditure includes all expenditure including contribution to corpus, the projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.
- iii. The amount spent by the Company in India, is only taken into consideration for CSR activities.
- iv. The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.
- v. Where the Company fails to spend the stipulated amount in CSR activities, it shall provide for the reasons for not spending the amount, in Board's report.
- vi. Company may build CSR capacities of its own personnel as well as those of their implementing agencies through institutions with established track records of at least three financial years, but such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.
- vii. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.



- viii. Any surplus arising out of the CSR activities shall not form part of the business profit 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 CSR policy and annual action plan of the company, or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- ix. Where the Company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that – (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any (ii) the Board of the company shall pass a resolution to that effect.
- x. The CSR amount may be spent by a company for creation or acquisition of a capital asset, which shall be held by:
 - a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under or
 - b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
 - c) a public authority:

Provided that any capital asset created by a company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with the requirement of this rule, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

11. MONITORING

- i. The Committee shall discuss the progress of each project undertaken and make any decision with respect to the project which it thinks fit.
- ii. The CSR Committee shall monitor the CSR expenditure on periodical basis and shall provide periodical report to the Board on the implementation of CSR activities.

12. REPORTING

- i. The Board's Report of a company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II, as applicable of the applicable rules.
- ii. (a) In case the Company having average CSR obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, the Company shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.



- (b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- (c) The Company undertaking impact assessment may book the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

13. DISPLAY OF THE CSR ACTIVITIES IN THE WEBSITE OF THE COMPANY

The Board of Directors of the Company shall mandatorily disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.

14. TRANSFER OF UNSPENT CSR AMOUNT

Until a fund is specified in Schedule VII for the purposes of subsection (5) and(6) of section 135 of the Act, the unspent CSR amount, if any, shall be transferred by the company to any fund included in Schedule VII of the Act.”

15. GENERAL

Any or all provisions of the CSR Policy would be subject to revision/amendment by the CSR Committee in accordance with the guidelines on the subject as may be issued by the Central Government from time to time.



ANNEXURE-1

List of activities that may be taken up by the Company:

- (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 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 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 buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art 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 schedule caste, tribes, other backward classes, minorities and women;
- (ix) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) 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.