

ABS MARINE SERVICES LIMITED

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CORPORATE SOCIAL RESPONSIBILITY (CSR)

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CSR POLICY

INTRODUCTION AND BACKGROUND

Section 135 of the Companies Act, 2013 impose statutory responsibility on Companies with an net worth of 500 crore INR or more or annual turnover of 1,000 crore INR or more, or a net profit of five crore INR and more immediately preceding financial year to undertake Corporate Social Responsibility activities as enumerated under Schedule VII of Companies Act 2013 which otherwise popularly known as **CSR activities**.

Where the Company qualifies the above said criteria it has to constitute a separate committee known as **CSR Committee** consisting of 3 or more directors, including at least one independent director to implement and monitor the CSR activities of the Company.

ABS MARINE SERVICES LIMITED (Formerly Known as ABS Marine Services Private Limited) was incorporated on October 27th, 1992. With the vision, business expertise of founder and Managing Director Capt. P. B. Narayanan, the company has grown manifold and is today at the forefront of:

- Ship Management
- Marine Services
- Project Management

The Company provides optimal services, by setting the highest standards for Health, Safety, Quality, Environmental Protection and Energy Management to its clients.

ABS MARINE SERVICES LIMITED being a Company satisfying the threshold as stipulated under Section 135 of the Companies Act, 2013 is committed to establish the CSR Committee and formulate a CSR policy for the Company.

POLICY OBJECTIVES

The objectives of this policy are –

- Devising meaningful and effective strategies for carrying out CSR activities and engaging with all stakeholders towards implementation and monitoring.
- Make sustainable contributions to communities.
- Identify socio-economic opportunities to perform CSR activities.
- Focus on social welfare activities as envisaged in Schedule VII of Companies Act, 2013.

SCOPE OF THE POLICY

- This Policy will focus on constitution of CSR Committee, roles and responsibilities of CSR Committee, CSR activities to be undertaken and allocation of funds for carrying out such CSR activities, Implementation and monitoring the execution of CSR activities for the Company.
- The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.
- This policy shall be applicable to ABS MARINE SERVICES LIMITED including all its subsidiaries, and all their employees.

CSR COMMITTEE

- a. The Following shall be Members of the Committee Constituted under Section 135 of the Companies Act,2013.

P B NARAYANAN	Chairman and Managing Director
CHELLASAMY RAJENDRAN	Non- Executive Independent Director
SHREELATHA NARAYANAN	Non- Executive Non-Independent Director
SANJEEVAN JEEVAN KRISHNAN	Whole-time director
ARATHI NARAYANAN	Executive Director and CFO

- b. The CSR Committee of the Company shall be responsible for:

- i. Formulating the CSR policy in compliance to Section 135 of the Companies Act 2013
- ii. Identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.
- iii. Recommending to Board the CSR expenditure to be incurred.
- iv. Recommending to Board, modifications to the CSR policy as and when required.
- v. Regularly monitoring the implementation of the CSR policy.

CSR BUDGET

CSR Committee will recommend every year, the annual budgeted expenditure to the Board of Directors for its consideration and approval which shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years.

CSR ACTIVITIES

The CSR Committee shall recommend to the board the list of CSR activities which shall be undertaken as per Schedule VII of the Companies Act,2013 which covers the following areas-

(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) (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.

IMPLEMENTATION

The Board of the Company on the recommendations from the CSR Committee shall implement any of the activities as mentioned under Schedule VII of the Companies Act, 2013 through any of the following ways :-

- Registered Trust or Society or Company established by the Company.
- Any other established Registered Trust or Society having track record of three years in undertaking similar programs or projects.
- Collaborate with other Companies for undertaking projects or programs or CSR activities.

BOARD RESPONSIBILITIES ON CSR:-

The Board of the Company will be responsible for:

- approving the CSR policy as formulated by the CSR Committee.
- ensuring that in each financial year the Company spends at least 2% of the average net profit excluding profits arising from overseas branches made during the three immediate preceding financial years.
- ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively and regularly monitoring implementation.
- disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensure annual reporting of its CSR activities on the Company website.
- ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.
- As per Section 135 the reasons for under spending of the allocated CSR budget shall be specified in the Board's Report. The surplus arising out of the CSR activities, if any, will not be considered as a part of the business profits of the company.

FRAMEWORK ON MONITORING AND REPORTING

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews. The Finance head of the Company will present list of programmes, projects, and activities to the CSR Committee for its approval. The Committee will in turn recommend this to the Board for its final approval. In compliance with the Act and to ensure funds spent on CSR programmes are creating the desired impact on the ground, a comprehensive Monitoring and Reporting framework will be put in place. The monitoring and reporting mechanism is divided into three distinct areas:

I. Programme Monitoring:

II. Evaluation:

III. Reporting and Documentation:

Programme Monitoring:

I. Programme monitoring mechanism will ensure:

- The CSR policy is implemented as per the Act and the Rules.
- The CSR policy is implemented ensuring that all projects/programmes as budgeted are duly carried out.

II. CSR spends will be closely monitored and funds shall be released against verified utilizations as per the approved work plans.

III. CSR spends will be audited in an accountable and transparent manner.

IV. Quarterly review by the CSR committee and six-monthly review by the Board.

Evaluation

I. A MIS monitoring mechanism will be put in place.

II. There shall be clarity about the scope of the programme and the need before evaluations are undertaken.

Documentation and Reporting

The CSR Committee will prepare the annual CSR report to be filed by the Company on approval of the Board. This report will ensure:

- CSR projects and programmes are being properly documented.
- The Accountability is fixed at each level of CSR process and implementation.

CONCLUSION

Our Board of Directors, our Management and all of our employees will adhere to this policy. We believe that this policy will bring in more sustainability and awareness of serving the society and its importance.

Effective Date:

This Policy is effective from 13th December, 2023.