

## **UTC FIRE & SECURITY INDIA LIMITED**

Registered Office: Unit No. 8, 1<sup>st</sup> 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**

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 UTC Fire & Security India Limited. How our people perform is as important as how our products operate. Corporate citizenship at UTC Fire & Security India Limited 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 the UTC Fire & Security 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.

“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 UTC Fire & Security India Limited, a Company registered under the Companies Act, 1956 having CIN: U29193MH1981FLC024364 and having its Registered Office at Unit No. 8, 1<sup>st</sup> Floor, The Centrium, Lal Bahadur Shastri Marg, Kurla West, Mumabi-400070, India.

“CSR” means Corporate Social Responsibility.

“CSR activities” means the activities or projects or programs as recommended by the CSR Committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under clause 8.

“CSR Committee” means the Committee of the Board constituted for the purpose of administration of CSR activities, supervising the adherence of this CSR Policy and the matter incidental thereto.

“CSR Policy” means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.

“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.

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 at its meeting held on August 20, 2019 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. CSR ACTIVITIES**

- i. The Company shall undertake such CSR activities as stated by this CSR Policy. In compliance with Rule 4(1) of the Companies (Corporate Social Responsibility Policy) Rules 2014 (Annexure-I), these activities shall be undertaken by the Company as projects or programs or activities (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 activities 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.

## **9. 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 surplus if any, arising out of the Corporate Social Responsibility projects or programs or activities does not forms part of the Business Profit of the Company.
- iv. The amount spent by the Company in India, is only taken into consideration for CSR activities.
- v. The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.
- vi. 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.
- vii. 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.

## **10. IMPLEMENTATION PROCESS**

- i. The CSR Policy shall be implemented by the CSR Committee under the broad policy and/or frame work 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.
- ii. The CSR Committee shall identify the CSR activities along with the geographical area to be undertaken by the Company.

- iii. 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.
- iv. On determination of the modalities, the CSR Committee shall present a proposal before the Board.
- v. 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.
- vi. 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.

## **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**

The Boards report shall include an annual report on Corporate Social Responsibility containing the particulars of the CSR activities in the manner as specified in the Companies (Corporate Social Responsibility Policy) Rules framed thereunder.

## **13. DISPLAY OF THE CSR POLICY IN THE WEBSITE OF THE COMPANY**

The CSR policy shall be disclosed on the Company's website in the manner as specified in the Companies (Corporate Social Responsibility Policy) Rules framed thereunder.

## **14. 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;

(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 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.