



# **Corporate Social Responsibility Policy**

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **1. Purpose:**

The Corporate Social Responsibility Policy (“CSR Policy”) of Shakun Polymers Private Limited has been formulated by the CSR Committee and approved by the Board of Directors at its meeting held on November 11, 2021.

This policy aims to contribute towards sustainable development of the society and environment to make planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in the area of education, health, sanitation, drinking water, environment and infrastructure etc.

The activities enlisted in this CSR Policy are carried out by the company either individually or in association with eligible Implementing Agencies registered with the Ministry of Corporate Affairs.

### **2. Legal Requirement:**

Section 135 of the Companies Act, 2013 and rules made thereunder as amended from time to time provides the broad legal framework of Corporate Social Responsibility and requires:

- a) Every company having net worth of rupees five hundred crore or more or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediate preceding financial year (‘eligible company’) shall constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more directors out of which at least one director shall be an Independent Director.
- b) Eligible Company to ensure spending every year at least 2% of its average net profit made during the three immediately preceding financial years and that administrative overhead, if any, shall not exceed five percent of total CSR expenditure of the Company for the financial year.

### **3. Role of Corporate Social Responsibility Committee:**

The Corporate Social Responsibility (CSR) Committee of the Board constituted as per the provisions of Section 135 of the Companies Act, 2013 with following functions assigned:

- a) To formulate and recommend a CSR Policy indicating the activities to be undertaken by the company in areas or subject specified in Schedule VII to the Act;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

- c) To formulate and recommend an annual action plan in pursuance of CSR Policy covering the following aspects:
  - (i) the list of approved CSR projects or programs to be undertaken in areas or subjects specified in Schedule VII to the Act;
  - (ii) the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules;
  - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programs;
  - (iv) monitoring and reporting mechanism for the projects or programs; and
  - (v) details of need and impact assessment, if any, for the projects undertaken by the company;
- d) Recommend changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect.
- e) To monitor the CSR Policy as approved by the Board from time to time.

The CSR Committee should recommend the approach and direction of CSR activities to be undertaken by the company and also provide Guiding principles for

- (i) Selection of CSR projects/programmes/activities
- (ii) Implementation of CSR projects/programmes/activities Guidance Note on Corporate Social Responsibility
- (iii) Monitoring of CSR projects/programmes/activities
- (iv) Formulation of the annual action plan

#### **4. List of Activities for CSR Work Spending:**

- (A) The following is the list of CSR Projects or programs which the Company on selective basis plans to undertake in the phased manner as project or one time activities pursuant to Schedule VII of the Companies Act, 2013
  - (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) rural development projects
- (x) 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.

- (xi) disaster management, including relief, rehabilitation and reconstruction activities.
- (xii) Any other CSR activities as may be notified from time to time.
- (xiii) (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).]

- (B) The activities mentioned above are to be interpreted liberally so as to capture the essence of the same. The initiatives by the Company in the above fields will include contribution to various projects and programs undertaken in these areas.
- (C) The Company shall give preference to local area and areas around the Company where it operates for spending the amount earmarked for CSR.
- (D) The activities which are for the benefit of the employees of the Company or their family members shall not be considered as CSR activity. CSR activities shall also not include the activities undertaken in pursuance of normal course of business of the Company.
- (E) The Board of Directors of the Company may decide to undertake CSR activities as recommended by the CSR Committee by itself or through a registered trust(s) or registered society(ies) or a Section 8 company(ies) or such other entity(ies) as may be eligible for undertaking CSR activities, pursuant to Section 135 of the Companies Act, 2013 and rules made thereunder.

#### **5. Annual Action Plan:**

The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following:

- a) the list of CSR projects or programmes that are approved and to be undertaken by the company
- 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 any, for the projects undertaken by the company.

The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

#### **6. CSR Spending**

The company shall endeavor to achieve the objectives of CSR Policy and allocate every year:

- a) Minimum 2% of its average net profits made during the three immediately preceding financial years.
- b) Any income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the company and the same shall be ploughed back for use in CSR activities.

All the expenditure relating to CSR shall be pre-approved by the CSR Committee. The CFO shall monitor the utilization of funds for the purposes set forth and certify to this effect.

Unspent CSR amount, if any, shall be transferred to separate account in accordance with the applicable CSR Rules from time to time.

### **7. Mode of implementation**

CSR programs, projects or activities of the company should be implemented through following methods:

- i. Directly by the company;
- ii. Implementing Agencies;
- iii. Any foundation or body incorporated by the company and eligible to undertake such CSR projects.
- iv. in collaboration with other organizations/group companies

While the company can engage suitable Implementing Agencies to undertake approved CSR projects. The company can also partner with local governance bodies, such as Gram Panchayats, Civic Bodies, Municipality to directly undertake approved CSR projects with the help and support of these bodies.

### **8. Need and Impact Assessment**

CSR activities undertaken should be in the interest of the society and the local population where the company operates. Before undertaking any project or activities the company shall conduct need assessment for the project and its utility in the demography where project is proposed.

After one year of completion of CSR project, the company should consider to conduct an impact assessment of the project so completed and place a report for consideration of the Board.

A summary of impact assessment outcome shall be disclosed in the Board's Report.

### **9. Capital Assets**

Capital asset acquired or created by CSR projects should be held by the beneficiaries of the said CSR project or a trust or a public authority for the benefits of all. The company should take appropriate measure to ensure that such assets are utilized for the purpose it was meant for and should not be transferred or disposed off without prior permission of the company.

**10. Information dissemination**

CSR Policy and activities undertaken shall be disseminated on website for public access and shall be published in the Annual Report of the company in the format prescribed under the Act and CSR Rules.

**11. Interpretation**

If under any circumstances where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the applicable law, rule, regulation or standard in this regard.

**12. Review**

The CSR Committee shall be fully responsible for the monitoring and review of the implementation of this policy in accordance with applicable laws from time to time. The CSR Committee shall provide recommendations as and when it deems necessary to the Board so as to amend/ modify/ revise the CSR Policy.

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# **SHAKUN POLYMERS** **PRIVATE LIMITED**

## **Composition of the CSR Committee**

**[w.e.f.: September 8, 2021]**

<b>Sr. No.</b>	<b>Name of Committee Member</b>	<b>Position in CSR Committee</b>	<b>Position in the Board</b>
<b>1.</b>	<b>Mr. Rajesh Bansal</b>	<b>Chairman</b>	<b>Whole Time Director</b>
<b>2.</b>	<b>Mr. Gautam Nivarthi</b>	<b>Member</b>	<b>Chairman</b>
<b>3.</b>	<b>Mr. Richard Correia</b>	<b>Member</b>	<b>Director</b>