



CORPORATE SOCIAL RESPONSIBILITY POLICY

A. Corporate Social Responsibility (CSR) – Philosophy:

Corporate Social Responsibility at Shakun Polymers Limited (“the Company” or “SPL”) portrays the deep symbiotic relationship that the Company enjoys with the communities it is engaged. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. We believe that to succeed an organisation must maintain highest standards of corporate behaviour towards its employees, consumers and societies in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders’ lives.

The Company in pursuance to the provisions of newly enacted Companies Act, 2013 is required to constitute a Corporate Social Responsibility Policy (CSR Policy). The matter has been placed before the Board of Directors for its consideration in its meeting held on 22nd November, 2014. The Company has formulated a comprehensive CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare and sustainable development of the society.

B. CSR Vision:

1. Create a positive influence in the communities and societies where we operate.
2. Develop meaningful and effective strategies for engaging with all Stakeholders.
3. Consult with local communities to identify effective and culturally appropriate development goals.
4. Partner with credible organizations like trusts, foundations etc. including non government organizations.
5. Check and prevent pollution; recycle, manage and reduce waste, manage natural resources in a sustainable manner.
6. Ensure efficient use of energy and environment friendly technologies.
7. Promotion and protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art.

C. CSR Committee Members:

Keeping in line with Section 135 of the Companies Act, 2013 (hereinafter referred to as ‘the Act’), the Board of Directors of the Company formed a Corporate Social Responsibility Committee (hereinafter referred to as the ‘CSR Committee’) headed by Chairman and Directors. The Committee will report to Board of Directors. The members of the Committee are as follows:

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|----|---------------------|---------------|
| 1. | Dr. Surekha Devi | - Chairperson |
| 2. | Shri Rajesh Bansal | - Member |
| 3. | Shri Rakesh Bansal | - Member |
| 4. | Shri Geetesh Bansal | - Member |

D. FUNCTIONS OF THE CSR COMMITTEE:

The CSR Committee shall:

1. Ensure compliance to the provisions of Section 135 of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
2. Formulate and recommend to the Board, a CSR Policy in accordance with the provisions of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014, which shall indicate –
 - a) The activities to be undertaken by the Company in terms of CSR Policy, as projects or programs or activities (either new or ongoing but course of business) as specified in Schedule VII to the Companies Act, 2013 and recommend the amount of expenditure to be incurred therein; and/or
 - b) Consider and approve the CSR Activities in case the Board of Directors of the Company decides to undertake its CSR Activities through a registered trust or a registered society or a company established by the Company or its subsidiaries or an associate company under Section 8 of the Companies Act, 2013 or otherwise; provided that –
 - I. If such trust, society or company is not established by the Company or its subsidiaries or an associate company, it shall have an established track record of three years in undertaking similar programs or projects;
 - II. The company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism; and/or
 - c) To act in consonance and harmony with the CSR Committees of respective companies, if the Company decides to collaborate with other companies for undertaking projects or programs or CSR Activities in such a manner that CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014.
3. Recommend the amount of expenditure to be incurred on each of the activities to be undertaken by the Company and referred to in the CSR Policy provided that while recommending the amount of expenditure to be incurred, a preference to the local area and areas around which the Company operates, for spending the amount earmarked for CSR Activities;
4. Monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

E. CSR ACTIVITIES:

The following activities which may be included in CSR policy of the Company:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently enabled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such old facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and work of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Para olympic sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women
9. Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and
10. Rural development projects.
11. Slum Development areas.
12. Such other activities as Board may consider deems fit

F. CSR FUNDS:

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

1. 2% of the average Net Profit (PBT) made by the Company during immediately preceding three Financial Years.
2. Any income arising there from.
3. Any surplus generated from CSR projects undertaken by us will be tracked and channelized in our CSR corpus. These funds will be further used in development of CSR projects and will not be added to the normal business profits.

G. DISPLAY OF CSR ACTIVITIES ON ITS WEBSITE:

The Board of Directors of the Company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the Company and disclose contents of such Policy in its Report and the same shall also be displayed on the Company's website as per the particulars specified in the attached Annexure.

Terms of Reference of the "Corporate Social Responsibility Committee" may be amended, elaborated and expanded by the Board from time to time and such Terms of Reference and any amendment, elaboration and expansion thereof shall always be specified in writing.

H. AMENDMENTS TO THE POLICY:

The Company is committed to continuously reviewing and updating our policies and procedures to channelize its vision. Therefore, this policy is subject to modification. Any amendment of any provision of this policy must be approved in writing by the Company's Board as per the recommendations of the CSR Committee and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment.
