

**RAJSHREE POLYPACK LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**1. Preamble**

At Rajshree Polypack Limited (“**Company**” /“**RPPL**”), we believe in continuing our country’s rich tradition of harmony, co-existence, and philanthropy. The Company has always endeavored to take socially responsible corporate actions for the benefit of its stakeholders as well as the general public. With the combined efforts of its employees and various organizations committed to the goal of betterment of the Indian society, the Company aims at channeling its resources towards continually addressing the prevalent socio-economic challenges and unceasingly creating a positive social impact.

**2. Objective**

The Corporate Social Responsibility Policy of the Company, inter alia, aims at-

- providing the role and responsibilities of the Corporate Social Responsibility Committee.
- outlining the Corporate Social Responsibility (“**CSR**”) activities, the Company is permitted to undertake as per the provisions of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

**3. Definitions**

- a) “**Act**” means the Companies Act, 2013 including any modifications, amendments or re- enactment thereof;
- b) “**Board**” means the Board of Directors of the Company;
- c) “**Committee**” means the CSR Committee of the Board;
- d) “**CSR Activities**” means all the activities specified in clause 6 of this Policy;
- e) “**CSR Expenditure**” shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board including the following;
  - i) contributions to CSR Activities which shall be implemented and / or executed by the Company;
  - ii) contributions to CSR activities which shall be implemented through Implementing Agencies;
  - iii) contribution to the corpus of a trust, society, section 8 companies etc. as

long as they are created exclusively for undertaking CSR Activities or where the corpus is created exclusively for the purpose directly relatable to a subject covered in Schedule VII of the Act.

- iv) any other contributions covered under Schedule VII to the Act and otherwise permitted under the Act and the Rules;
- f) **“Implementing Agency”** or “Implementing Agencies” means
  - i) 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
  - ii) 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
  - iii) any entity established under an Act of Parliament or a State legislature; or
  - iv) 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.
- g) **“Financial Year”** shall mean the period beginning from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the succeeding year;
- h) **“Net Profits”** shall mean the net profits of the Company as defined under the Act and the Rules based on which a specific percentage for CSR expenditure has to be calculated.
- i) **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modifications, amendments or re-enactment thereof.

Words and expressions used and not defined in this document shall have the same meanings respectively assigned to them in the Act and / or Rules.

#### 4. Policy

- a) This document shall be known as Corporate Social Responsibility Policy (**“the Policy” or “CSR Policy”**).
- b) The Policy shall be displayed on the website of the Company;

## **5. Committee and Board functions**

- a) The Committee shall consist of three or more directors, out of which at least one director shall be an independent director;
- b) The composition of the Committee shall be disclosed by the Board of Directors of the Company in its Report;
- c) The Committee shall hold meetings as and when required, in furtherance of the implementation of the CSR Policy of the Company. The Company Secretary shall act as the Secretary to the Committee.
- d) The quorum for a meeting of the CSR Committee shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher. The Committee shall be governed by the same rules regarding meetings as are applicable to the Board.
- e) The key roles and responsibilities of the CSR Committee shall, inter alia, include the following:
  - (i) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 (as amended from time to time).
  - (ii) To recommend the amount of expenditure to be incurred on such activities.
  - (iii) To monitor the Corporate Social Responsibility Policy of the Company from time to time.
  - (iv) Formulation of Annual Action Plan
  - (v) Any other matter/thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the CSR Policy of the Company.
- f) The key roles and responsibilities of the Board shall, inter alia, include the following:
  - (i) Constitute a CSR Committee and disclose the composition of the CSR Committee.
  - (ii) After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company and disclose contents of such Policy in its report and also place it on the Company's website, if any.

- (iii) Ensure that the activities as are included in CSR Policy of the Company are undertaken by the Company.
- (iv) Ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its CSR Policy.
- (v) Satisfy itself that the funds disbursed in respect of fulfillment of CSR obligation have been utilized 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) Monitor the implementation of the ongoing project with reference to the approved timelines and year-wise allocation and make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- (vii) Ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

## **6. CSR Activities**

- a) As a responsible corporate citizen, the Company is committed to sustainable development and inclusive growth and has been focusing on issues relating to water, environment, education and society over the past several years. Whilst the Company will continue to support activities as per Schedule VII of the Act listed below. In terms of the CSR rules issued by the MCA the Company will be focusing on undertaking the project /programs /activities listed below, as specified in Schedule VII to the Act:
  - i. Eradicating hunger, poverty and mal-nutrition, promoting preventive health care and sanitation including contribution to the “Swachh Bharat Kosh” set-up by the Central Government for 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 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 centers 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, and 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” setup 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 arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii. Contribution to 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 Schedule Tribes, other backward classes, minorities and women;
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- 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.”

- b) The CSR Activities shall not include the following: -
  - i. activities undertaken in pursuance of normal course of business of the Company;
  - ii. activities that benefit only the employees of the Company and their families;
  - iii. any contribution to any political party;

## **7. Contribution for CSR Activities**

- a) The Board of the Company shall ensure that the Company spends, in every financial year, at least two per cent of the average Net Profits of the Company made during the three immediately preceding Financial Years towards CSR Activities, in accordance with the Policy;
- b) Any amount remaining unspent at the end of the financial year, except in case of an ongoing project, shall be transferred to a Fund to be specified in Schedule VII for this purpose, within a period of six months of the expiry of the relevant financial year.
- c) In case the Company undertakes any ongoing project, any amount remaining unspent and earmarked for the ongoing project, shall be transferred within a period of thirty days from the end of the financial year to a special account to be opened for that financial year in any scheduled bank to be called the 'Unspent Corporate Social Responsibility Account', and such amount shall be spent within a period of three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to the Fund to be specified in Schedule VII for this purpose, within a period of thirty days from the date of completion of the third financial year.
- d) Any surplus arising out of CSR projects, programmes or activities shall not form part of the business profits of the Company and shall be utilized towards the eligible CSR Activities / addressed in accordance with Applicable Laws.
- e) In the event, 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, and
  - ii. the Board of the Company has passed a resolution to that effect.
- f) The CSR obligation may be spent by the Company for creation or acquisition of a capital asset, which shall be held by -
  - i. 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 sub-rule (2) of rule 4; or
  - ii. beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
  - iii. a public authority:

- g) The contribution in CSR Activities shall only be made in India;
- h) If any contribution in CSR Activities is made outside India, the same shall not be considered in calculation of two percent limit as specified in clause (a) above;
- i) The Company shall give preference to the local area and areas around it where it operates for spending the amount earmarked CSR Activities;
- j) On the basis of identified CSR activities / projects, the Annual CSR Plan shall be prepared by the members of the Committee in advance.
- k) The Annual Plan shall be scrutinized and examined by the members of the Committee. The Annual Plan recommended by the Committee would then be put up to the Board for its approval.

## **8. Implementation**

- a) The Board may decide to undertake its CSR Activities approved by the CSR Committee either by itself or through any of the Implementing Agencies;
- b) The Company may also collaborate with other companies for undertaking CSR Activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such CSR Activities in accordance with these rules.
- c) Company may build CSR capacities of its own personnel as well as those of its 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.

## **9. Monitoring and Reporting**

- a) The CSR Committee shall continuously monitor and review the progress of the CSR Activities undertaken/ completed;
- b) The CSR Committee shall place a report on the CSR Activities completed and undertaken during the Financial Year, before the Board at the first Board Meeting of the subsequent Financial Year;

- c) The Committee shall meet periodically;
- d) The Board periodically review the implementation of the Policy and CSR Activities;
- e) The Board Report shall consist a section of Annual Report on CSR as per the format prescribed under the statutory and regulatory reporting requirement(s);

**10. Impact Assessment:**

- a) In the event, the Company has an average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, it 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. Further, the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.
- b) Furthermore, 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.

**11. Amendment**

The Board of Directors may in their discretion and on recommendation of the CSR committee, make any changes/modifications and/or amendments to this Policy from time to time. In the event of any conflict between the provisions of this Policy and of the Act or any other statutory enactments, rules, the provisions of such Act or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

**This policy is amended with effect from June 24, 2021**

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