

# **SHREE AJIT PULP AND PAPER LIMITED**

## **CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR POLICY)**

### **1. TITLE AND APPLICABILITY**

- The document describes the Corporate Social Responsibility Policy (“CSR policy”) of Shree Ajit Pulp and Paper Limited (“SAPPL”). It includes its vision, mission and other relevant attributes of Corporate Social Responsibility.
- The CSR policy shall be guided by its corporate philosophy of respect for the individual and the society at large.
- The CSR policy has been formulated in accordance with Section 135 of the Companies Act, 2013 and the CSR Rules 2014 and the relevant amendments / notifications / circulars.
- The CSR policy shall apply to all CSR programs of SAPPL.

### **2. VISION AND MISSION**

SAPPL have always been committed to the cause of social service and have repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally.

In pursuance of our vision that SAPPL shall make its endeavour to positively impact and influence the Society for its sustainable development.

### **3. PURPOSE AND OBJECTIVE**

The Companies Act, 2013 has brought greater emphasis on CSR with rules that provide guidance on minimum CSR spend, focus areas, implementation mechanism and reporting to the shareholders of the company.

The Company firmly believes that CSR is primarily, the responsibility of the Company in relation to the impact of its decisions and activities on the society and also the environment, through a transparent and ethical behaviour which is:

- (a) consistent with sustainable development and welfare of society,
- (b) takes into account the expectations of stakeholders,
- (c) is in compliance with applicable law, and
- (d) is uniformly integrated and practiced throughout the Company.

The main objective of CSR Policy is to lay down guidelines for Corporate Social Responsibility Activities of SAPPL. The Policy is formulated keeping in view the company’s business vision, its CSR vision and long-term social objectives that the company wants to achieve. CSR Policy has been created with the purpose to outline its CSR focus areas, review mechanism, execution process and reporting mechanism.

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## 4. CSR ACTIVITIES:

The Company will carry out CSR Activities in consonance with the provisions of the Section 135 read with Schedule VII to the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as amended from time to time. Schedule VII to the Act is attached as **Annexure-A**. The Company will take up activities to uplift socially and economically backward peoples as measures for reducing inequalities faced by them and also shall carry out activities for enrichment of medical aid for the needy.

This Policy will apply to CSR Activities approved by the Board of Directors, from time to time, and taken up for implementation preferably in and around the areas of its operation including other business establishments and surrounding areas thereto located within the territorial limits of India.

## 5. IMPLEMENTATION:

The Company will take up its CSR Activities through eligible entity as defined under the CSR Rule 4(1), as amended, reproduced hereunder -  
Rule (Eligible Entities- Rule 4(1): ) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The Board shall ensure that the CSR Activities are undertaken by the company itself or through-

- (a) 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 established by the company, either singly or along with any other company, or
- (b) 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
- (c) Any entity established under an Act of Parliament or a State legislature; or
- (d) 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.

The Company has constituted a CSR Committee of its Directors. The proposals of CSR Activities recommended by the CSR Committee will be placed before the Board of Directors for its approval.

## 6. RESOURCES:

### ***Budget:***

The Company will allocate statutorily permissible at least 2% of average net profits of the company made during the three immediately preceding financial years and this would be the minimum overall Annual budget for CSR Activities.

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## *Utilization:*

- any unspent/unutilized CSR allocation of a particular year;
- any surplus arising out of CSR Activities shall not form part of the business profits of the Company; and
- any amount spent in excess of statutory requirement, shall be dealt with as per the applicable provisions of the Act / Rules.

## **7. MONITORING, EVALUATION AND REPORTING:**

To ensure effective implementation of the CSR Activities within specified budgets and timeframes as approved by the Board, a monitoring mechanism will be put in place by CSR Committee. The progress of CSR Programmes under implementation and status of the work done shall be reported to the CSR Committee.

The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Activities.

## **8. RESPONSIBILITY:**

### **Board of Directors:**

- To consider and approve CSR Policy, with or without modifications, as recommended by CSR Committee and ensure that the same is placed on the Website of the Company.
- To disclose the contents of CSR Policy in the Board's Report.
- To ensure that the Company spends 2% of average Net Profits of preceding three FYs on CSR Activities prescribed in the Schedule VII to the Act.
- To report CSR Activities in the Board's Report and disclose reasons for Unspent amount, if any, as against the prescribed minimum 2% CSR spend during FY.
- In case of On-going Activities / Projects, to monitor its implementation with reference to approved time lines and year wise allocation with modifications, as may be deemed fit.

### **CSR Committee:**

- To formulate and recommend CSR Policy to the Board of Directors.
- To ensure spending of CSR amount on approved Activities and put up progress of Activities to the Board of Directors.
- To implement the CSR Policy and monitor progress of Activities in the CSR Committee Meeting.
- To formulate and recommend to the Board, Annual Action Plan /Budget as per the provisions of the Companies Act, 2013 and Rule 5 (2) of the CSR Rules as amended from time to time as well as the CSR Policy, including the followings:

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1. List of approved CSR Activities.
2. Manner of execution of CSR Activities in line with the specified Rules.
3. Modalities of utilization of funds and implementation of schedules of CSR Activities.
4. Monitoring and reporting mechanism for the Activities; and
5. Details of need and impact assessment, if any, for the Activities under taken by the Company.

Provided that the Board of Directors may alter such plan at any time during the FY, as may be recommended by CSR Committee based on reasonable justification to that effect.

The Board of Directors of the Company shall approve the CSR Activities upon recommendation of the CSR committee from time to time through meetings/circular resolutions.

### **9. EFFECTIVE DATE:**

The CSR Policy shall be effective from the date of its approval by the Board of Directors.

### **10. AMENDMENTS TO THE CSR POLICY:**

CSR Policy may be updated to align it with the changing requirement or changes in the legal and regulatory framework. Any revision in the Policy shall be approved by the Board of Directors.

CSR POLICY APPROVED ON BEHALF OF BOARD OF DIRECTORS ON THIS 11<sup>TH</sup> DAY OF FEBRUARY, 2022 AT VAPI

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## ANNEXURE A SCHEDULE VII

(Section 135 of the Companies Act, 2013.)

Activities which may be included by companies in their Corporate Social Responsibility Policies  
Activities relating to:—

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swacch 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 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 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, and 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; and
- xi. Slum area development
- xii. Activities related to promotion of road safety as suggested vide General Circular No. 21/2014 dated 18.06.2014 issued by Ministry of Corporate Affairs

Other activities which may be notified from time to time covered under the Companies Act, 2013 including any amendments or re-enactment thereof.