

CORPORATE SOCIAL RESPONSIBILITY

(CSR POLICY, 2021)

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS IN THE
BOARD MEETING OF THE COMPANY HELD ON 29TH APRIL, 2021**

INTRODUCTION

This policy, which encompasses the company's philosophy towards corporate social responsibility and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, is titled as the 'CSR Policy for Roha Dyechem Private Limited'.

CSR POLICY

The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013. As an integral part of our commitment to good corporate citizenship, we at Roha Group believe in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long term stakeholder value creation, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; and the society at large. In order to leverage the demographic dividend of our country, Company's CSR policy efforts shall focus on Health, Education, Rural development, Protect national heritage, art and culture and Environment interventions for relevant target groups, ensuring diversity and giving preference to needy and deserving communities inhabiting urban India.

APPLICABILITY OF THE POLICY

1. The Company's CSR Policy has been developed in conformity with the provisions of Section 135 of the Companies Act, 2013 (referred to as the Act in this Policy) and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India. Further this Policy is revised to conform with the amendments in the Act and the Rules.

2. This Policy shall apply to all CSR initiatives and activities taken up at the various locations in India, preferably in the vicinity where the Company carries out its business operations and for the benefits of different segments of the society, specifically the deprived and under privileged.

OBJECTIVES

CSR Policy intends to:

- i) To carry out CSR activities in an economically, socially and environmentally sustainable manner that is transparent and ethical.
- ii) To ensure the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.
- iii) To create opportunities for employees to participate in socially responsible initiatives.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of company has constituted the Corporate Social Responsibility Committee ("CSR Committee") consisting of 3 (Three) Members in accordance with Section 135 of the Companies Act 2013 ("Act") on CSR and in accordance with the CSR Rules thereto. The CSR program will be overseen under the guidance of the CSR Committee.

COMPOSITION

The composition of the said Committee comprises of three directors viz.

- (i) Mr. Ramakant Tibrewala
- (ii) Mr. Shrikant Tibrewala and
- (iii) Mr. Mahesh Tibrewala

MEETINGS:

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company. The members would thrive to hold at least two meetings in a financial year.

QUORUM:

The quorum for a meeting of the Committee on CSR 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

SITTING FEE:

The Sitting Fees for attending the meeting shall be determined from time to time by the Board of Directors.

ROLE OF CSR COMMITTEE:

The role of CSR Committee is:

- a. To formulate, recommend and proposed alterations 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 Section 135 of the Companies Act 2013 and under other applicable laws;
- b. To recommend the amount of expenditure to be incurred on the specified activities in a financial year;
- c. To monitor the Corporate Social Responsibility activities of the company from time to time;
- d. To recommend the Board on the guiding principles for selection, implementation and monitoring of CSR activities;
- e. To formulate and recommend to the Board, an Annual CSR Action Plan in pursuance of its CSR policy;
- f. To recommend the Board to alter the Annual CSR Action Plan at any time during the financial year based on the reasonable justification to that effect; and
- g. Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

ROLE OF BOARD OF DIRECTORS:

- a. The Board of Directors shall, after considering the recommendations made by the CSR committee, approve the CSR policy and the Annual CSR Action Plan of the company.
- b. The Board of Directors shall endeavor that the Company spends 2% of the average pretax net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.
- c. The Board of Directors of the Company shall disclose the composition of the CSR Committee, and CSR Policy and Projects approved by the Board on their website, if any, for public access.
- d. The Board may extend a non-ongoing project beyond one year based on reasonable justification.
- e. The Board shall ensure that the CSR activities are undertaken by the Company itself or through a registered and eligible Implementation Agency.
- f. The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the person responsible for financial management shall certify to the effect.
- g. In case of ongoing project, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any,

for smooth implementation of the project within the overall permissible time period.

- h. The Board may alter the CSR Annual Action Plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.
- i. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- j. Where the Company spends an amount in excess of requirement, such excess amount may be set off by the Board against the requirement to spend 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.
 - (ii) the Board of the Company shall pass a resolution to that effect.

RESOURCES

FUNDING & ALLOCATION

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget. The Annual CSR Budget shall be spent on projects / activities as laid down in this Policy.

“Administrative Overheads” expenses incurred by the Company will be used for ‘General Management & Administration’ of the Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and Annual Action Plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Transfer of unspent CSR amount. - Until a separate fund is specified by the Government, the unspent CSR amount, if any, shall be transferred by the Company to a fund specified in Schedule VII of the Act.

 **ACTIVITIES, PLANNING & IMPLEMENTATION**

The Company shall identify projects / programmes which will fall in any one or more of the following areas /sectors for its CSR spending:

- 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 recognized 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. 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.
- x. Rural development projects.
- xi. Slum area development.

- xii. Disaster management, including relief, rehabilitation and reconstruction activities

The CSR projects or programs or activities undertaken by the Company as per the Company's CSR Policy in the areas where the company's offices and plants are situated only shall amount to CSR Expenditure in accordance with the provisions of the Act. The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and areas where the Company operates. All expenses and contributions for CSR activities will be made after approval from the Chairman of the CSR committee, which would then be placed before the forthcoming CSR committee for noting and record. The Chairman will ensure that the expenses/contribution will be in full compliance of the CSR Policy.

IMPLEMENTING AGENCY

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. Every entity who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar.

The Company shall specify the project or programs to be undertaken through these entities, modalities of utilization of funds on such projects and programmes.

CSR MONITORING AND REPORTING FRAMEWORK

The CSR Committee shall monitor the implementation of the CSR Policy through periodic reviews of the CSR activities.

The respective CSR personnel will present their annual budgets along with the list of approved CSR activities conducted by the Company to the CSR Committee together with the progress made from time to time as a part of the evaluation process under the monitoring mechanism.

IMPACT ASSESSMENT

- a. Details of need and impact assessment, if applicable for the projects undertaken by the Company will be included in the Annual Action Plan.
- b. If the Company has an average CSR obligation of ten crore rupees or more, 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.
- c. The impact assessment reports if applicable shall be placed before the Board and shall be annexed to the annual report on CSR.
- d. Impact assessment, if applicable may be booked as 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.

CAPITAL ASSET

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –

- a. A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number.
- b. Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- c. A public authority

Provided that any capital asset created by the Company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with this requirement, which may be extended

by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

 **GENERAL**

In case of any doubt with regards to any provision of the policy and in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government from time to time. The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.

 **CONCLUSION**

Roha Dyechem Private Limited is committed to ensuring the implementation of the proposed CSR programs in order to bring meaningful and sustainable development of underserved communities. The company will leave no stone unturned in ensuring that it contributes to the society, which is an integral stakeholder for it.

The CSR Policy of the Company shall be uploaded on the Company's website for information of all stakeholders.