

CORPORATE SOCIAL RESPONSIBILITY POLICY

(Pursuant to section 135 of Companies Act, 2013)

1. Introduction

The Companies Act, 2013 (“Act”) read with the Companies (Corporate Social Responsibility) Rules, 2014 (“CSR Rules”) introduced specific provisions relating to Corporate Social Responsibility. The Act and the Rules have also laid down the criteria for complying with the provisions relating to CSR, nature of projects, programmes and activities that can be undertaken as CSR activities, manner in which CSR activities shall be undertaken, constitution of CSR Committee, formulation of CSR Policy etc. Accordingly, the Board of Directors (the “Board”) of HR Polycoats Private Limited has adopted a Policy and standard operating procedures to undertake projects, programmes and activities relating to CSR.

2. Applicability and Effective Date

This Policy shall apply to all CSR activities and initiatives undertaken by the Company for the benefit of different segments of the society, especially in the sports activity for the students from the very poor family. This Policy shall be effective from 01/04/2019.

3. Philosophy

Company being a responsible corporate citizen strives to bring about overall positive impact in societies/local communities living in cities where it has business footprint. It will take up a wide range of issues relevant to the local underprivileged /marginalized communities and make a lasting and sustainable impact.

4. Definitions

"Act" means the Companies Act, 2013.



“Company” means the HR Polycoats Private Limited.

“Chairman” means Chairman of CSR Committee.

“CSR Committee or Committee” means Corporate Social Responsibility Committee of Board of Directors of the Company constituted under Section 135 of Companies Act, 2013.

“Board” means Board of Directors of the Company. “Policy” means Corporate Social Responsibility Policy.

5. (A) Focus Area / Scope of CSR Activities

Company shall undertake following CSR projects related to the list of activities prescribed under Schedule VII of the Companies Act, 2013 read with Rules made thereunder, as amended from time to time:

A. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

B. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

C. 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;

D. 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;

E. 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;

F. Measures for the benefit of armed forces veteran, war widows and their dependents;

G. Training to promote rural sports, nationally recognised sports and Olympic sports;

H. 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;



I. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

J. Rural development projects;

K. 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.

FOCUS AREA (SPORTS): CSR wing of the company has decided to spend the money in the field of sports to promote the rural sports which shall help the students from very poor families and the families, which are unable to afford the money to train their children/youth in the field of sports. This will also help the trust to scout the talent amongst from the rural and far-flung areas of the country and train them to develop their skills to achieve excellence in their respective sports discipline.

The vision of the company to spend in sports activities is to improve the lives of children and youth to have a better future and eternal hope which may be the big support for the preparation of the country's best athlete and also be a collective effort towards nation building.

B) POLICY GUIDELINES

Broad guidelines for implementation for CSR activities are:

1. As outlined in the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company may undertake CSR projects directly, or through a registered Trust or a registered society or a special purpose company etc. It may also collaborate with other companies for undertaking CSR projects. The company may incur expenditure to build CSR capacity of its own personnel or other implementation institutions subject to the 5% expense cap as specified in the Rules. Currently, the Company's CSR activities are being undertaken through "Joon education & charitable trust", as stated in this Policy, as projects or programs or activities.
2. The CSR activities which are exclusively for the benefit of employees of the Company or their family members shall not be considered as CSR activity.
3. The Company shall give preference to the local areas where it operates, for spending the amount earmarked for CSR activities.
4. The Company shall undertake the CSR projects or programs in accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 and rules made thereunder, with the approval of Board of Directors on the recommendation of CSR Committee.
5. The Company would have expertise or will develop expertise, taking help from partners/ advisors as required, in the selected CSR activities to be able to execute the programs effectively, and add value to the Programs in addition to providing funds.



6. The Company will maximize opportunities for its employee participation in the selected CSR activities as volunteers to enable them to give back the society.
7. The Company targets to run an efficient CSR program ensuring that maximum proportion of its funding is used for actual programs rather than administrative activities (not more than 5%).
8. The Company will decide and manage implementation of the selected CSR activities in such a manner to achieve in maximum social good from each Rupee of its CSR spend.
9. The Company considers its CSR spend not as a charity or donation but as an important investment in the welfare of its stakeholders and for better future for the company and society.
10. The Company will arrange to display its CSR Policy on the Company's Website.

6. Composition of the CSR Committee

The CSR Committee shall consist of following Directors:

- Mr. Harish Dhawan
- Mr. Raj Kumar Dhawan

7. Responsibilities of the CSR Committee

The responsibilities of the CSR Committee shall include:

- Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken;
- Recommending the amount of expenditure for the CSR activities; and
- Monitoring CSR activities from time to time.

8. Governance of the CSR Committee

The CSR Committee shall undertake activities / initiatives in accordance with the provisions of the Companies Act, 2013 read with Rules made thereunder including any amendment(s) made thereto.

9. Reporting and Disclosures

Apart from the reporting requirement as mentioned herein above in the Policy, following regulatory disclosure shall be followed:

- Composition of the CSR Committee shall be disclosed in the Board Report;
- The Board Report shall include an annual report on CSR activities in prescribed format;
- If the company fails to spend the prescribed amount, the Board shall, in its report specify the reasons for not spending the amount;
- The content of Policy shall be displayed on the company's website if any and a link shall be provided in the Board's Report.



10. General

The Board reserves the right to amend, modify, cancel, add or alter any provision of this policy.

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