

## **SYNPOL PRODUCTS PVT. LTD.**

### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

In accordance with the provisions of Section 135 of Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee of SYNPOL PRODUCTS PVT. LTD. (“the Company”) (hereinafter referred to as “SPPL”) was constituted by the Board of Directors of the Company at their meeting held on May 2, 2014.

#### **1. OBJECTIVE**

The main objective of this CSR Policy is to lay down guidelines to make CSR a key business process for sustainable development of the society and the environment in which it operates. It aims in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of the Company’s activities in India.

This Policy specifies the projects and programs that can be undertaken, provides an indicative list of CSR projects/ programs in terms of the Schedule VII to the Companies Act, 2013 which the Company plans to undertake during the implementation years, specifies the modalities of execution in the areas/ sectors chosen and the implementation schedule.

The scope of the Policy has been kept as wide as possible, so as to allow the Company to respond to different situations and challenges appropriately and flexibly, subject to the activities enumerated in Schedule VII of the Companies Act, 2013. However, no contribution will be made for any activities undertaken outside India.

#### **2. CSR VISION**

The company’s CSR philosophy is ‘Do Good to Do Well and Do Well to Do Good’. SPPL’s vision is to be a responsible industry leader and demonstrate environmental, transparent and ethical behavioural practices which will contribute to the economic and sustainable development within the company, industry, and society at large.

At SPPL, CSR has effectively evolved from being engaged in passive philanthropy to corporate community investments, which takes the form of a social partnership initiative creating value for stakeholders.

The Company’s CSR activities build an important bridge between business operations and social commitment evolving into an integral part of business functions, goals and strategy.

#### **3. SCOPE**

This Policy shall apply to all CSR projects/programs/activities undertaken by the Company in India as per Schedule VII of the Act.

#### 4. DEFINITIONS

- A. **Corporate Social Responsibility (CSR)** means and includes but is not limited to Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013 ('Act').
- B. **CSR Committee** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act.
- C. **CSR Policy** relates to the activities to be undertaken by the Company as specified in Schedule VII to the Act and the expenditure thereon
- D. **Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with applicable provisions of the Act (Section 198), but shall not include the following viz;
  - i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise and
  - ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act;

Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956 shall not be required to be re-calculated in accordance with the provisions of the Act.

#### 5. ROLE OF THE CSR COMMITTEE

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee of Directors. The CSR Committee will play the following role in fulfilling the Company's CSR objectives:

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy in compliance with Section 135 of the Companies Act, 2013.
- b. Identify the activities to be undertaken as per Schedule VII of the Companies Act, 2013.
- c. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- d. Recommend the amount of CSR expenditure to be incurred on the earmarked CSR activities.
- e. Monitor the implementation of the CSR Policy from time to time.
- f. Such other functions as the Board may deem fit.

#### 6. ROLE OF THE BOARD

- a) After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.
- b) Ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.

- c) Ensure that in each financial year the Company spends at least the minimum stipulated amount of the average net profits of the company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates,
- d) As per Section 135 of the Act, specify the reasons for under spending the CSR amount in the Board's Report

## **7. CSR ACTIVITIES FOR IMPLEMENTATION**

The CSR Activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read together with Schedule VII of the Companies Act, 2013.

## **8. CSR MONITORING AND REPORTING FRAMEWORK**

In compliance with the Act and to ensure funds spent on CSR Activities are creating the desired impact on the ground a comprehensive Monitoring and Reporting framework has been put in place. 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.

## **9. CSR EXPENDITURE**

The CSR activities undertaken in India only shall amount to CSR Expenditure. CSR Expenditure shall include all expenditure including contribution to corpus for CSR activities approved by the Board on the recommendation of the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

## **10. DISCLOSURE OF THE POLICY**

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website and shall be disclosed in the Board's report as well. .

## **11. CSR REPORTING**

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

## **12. FREQUENCY OF MEETINGS**

The meetings of the Committee could be held at such periodic intervals as may be required.

### **13. MINUTES OF THE COMMITTEE MEETING**

Proceedings of all meetings shall be recorded and signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

### **14. MISCELLEANOUS**

This policy shall be updated from time to time, by the Company in accordance with the amendments, if any, to the Companies Act, 2013, rules made there under or any other applicable enactment for the time being in force.