NUPUR RECYCLERS LIMITED

Corporate Social Responsibility (CSR) Policy

Corporate Social Responsibility policy

1. CSR Purpose Statement

This Corporate Social Responsibility policy of Nupur Recyclers Limited is designed to describe the guidelines and procedures for the Company for carrying out Corporate Social Responsibility operations in line with provisions such as Section 134 and 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. Definitions:

2.1 "Company" means Nupur Recyclers Limited.

2.2 "Act" means the Companies Act, 2013 and includes Companies (Corporate Social Responsibility Policy) Rules, 2014 and all other applicable rules and any statutory modifications, re-enactment thereof.

2.3 "Board" means the Board of Directors of the Company.

2.4 "CSR Committee" means the Corporate Social Responsibility Committee constituted by the Board of Directors in accordance with Section 135 of the Act. Provided that where the amount required to be spent by the Company under Section 135(5) of the Act does not exceed ₹50 lakh, the requirement for constitution of a CSR Committee shall not be applicable and the functions of the CSR Committee shall be discharged by the Board of Directors in accordance with Section 135(9) of the Act.

2.5 "Net Profit/Profit" refers to the average net profits of the Company, calculated in the manner as provided under the Act.

2.6 "Policy" means this Policy on Corporate Social Responsibility ("CSR").

2.7 "Annual Action Plan" means the annual action plan in respect of the CSR activities of the Company, containing such particulars as may be prescribed under the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

Any other terms used but not defined in this Policy shall have the meaning given to them under the Act or any other applicable rules, guidelines and regulations prescribed thereunder.

3. CSR Activities:

The Company shall undertake such CSR activities as are recommended by the Board of Directors/CSR Committee of the Board in line with this Policy and shall include but not limited to the following activities, areas or subjects specified in Schedule VII of the Act:

i) Eradicating hunger, poverty and malnutrition, promoting health care.

ii) Promoting education, including special education and employment enhancing vocation skills.

iii) Promoting gender equality, empowering women and undertaking 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 etc.

v) Measures for the benefit of armed forces veterans, war widows and their dependents.

vi) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.

vii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development.

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

ix) Rural development projects.

x) Slum area development ('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); and

xi) Such other activity as may be decided by the Board of Directors of the company.

4. Thrust areas

4.1 Thrust areas of the Company shall belong to following broad areas, synergetic to the broader areas that the Schedule VII of the Companies Act, 2013 has defined or will define from time to time.

I. Education
II. Employment enhancing vocational skills for employability
III. Health
IV. Environmental Initiatives
V. Agricultural Initiatives
VI. Water and Sanitation
VII. Art and Cultural Initiatives

Following are the thrust areas currently identified by the Company from the above broad areas. The Board of Director/CSR Committee will update the target areas and the projects and programmes every year and suggest changes following consent from the Board.

i) Promotion of education, vocational training (including livelihood enhancing) for the economically weaker/ underprivileged sections of the society, supplying farmers; to enhance their livelihood economically.

ii) Promotion of health care (including preventive health care).

iii) Socio economic and rural development and relief and welfare activities of underserved sections of the society.

iv) Environmental awareness and protection activities in the locations where the Company has its operations, to develop a sustainable ecosystem.

v) Promoting renewable sources of energy, reducing carbon footprint for all supply chain partners and the Company's operations.

vi) Disaster Relief:

(a) Extending relief measures during times of natural disasters, anywhere in the country.
(b) Undertaking and supporting rehabilitation measures post disasters.

vii) Promoting sports and related training and infrastructure activities.

4.2 CSR activities shall be undertaken as projects or programs or activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.

4.3 There could be suitable modification to this list of Thrust areas of the Company from time to time as may be deemed fit by the Board of Director/CSR Committee of the Company.

5. Modalities of implementation

5.1 The Company will undertake its CSR activities either directly as projects or programs or activities (either new or ongoing) or through a Registered Trust or Registered Society or through a company established by the Company under Section 8 of the Act.

5.2 The Company may also collaborate with other companies, like minded government, corporate, academic institutions, organizations, NGOs for undertaking CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with the Act.

5.3 The Board in consultation with CSR Committee shall decide the criteria for selection of eligible projects/partners for its CSR activities around Company's Registered Office, Distribution Centres, Stores operated by Company's franchisee(s).

5.4 The Company may also directly undertake initiatives through its employees located at the Company's Registered Office, Distribution Centres, and employees of its franchisee partners.

5.5 If the Company decides to set up a Trust or Section 8 Company or Society or Foundation or any other form of entity operating within India to facilitate implementation of its CSR activities in accordance with its stated CSR Policy, the following shall apply:

i) The Company will need to specify the projects/programmes to be undertaken by such an organization, for utilizing funds provided by it.

ii) The Company shall set up a monitoring mechanism to ensure that the allocated fund is spent for the specified purposes only.

6. Administration

6.1 The approval and implementation of the CSR Policy shall be the responsibility of the Board of Directors of the Company in accordance with the provisions of Section 135 of the Act and the Rules made thereunder. of the CSR policy will be the responsibility of the Company's Board of Directors.

6.2 CSR Committee / Board of Directors:

Where the Company is required to constitute a CSR Committee under Section 135 of the Act, the Board shall constitute such CSR Committee in accordance with the applicable provisions of the Act and the Rules.

Provided that where the amount required to be spent by the Company under Section 135(5) does not exceed ₹50 lakh, no separate CSR Committee shall be required to be constituted and the functions of the CSR Committee shall be discharged by the Board of Directors pursuant to Section 135(9) of the Act.

6.3 The Board of Directors, or the CSR Committee where such Committee is required to be constituted, shall formulate and recommend/approve, as applicable, the Annual Action Plan in accordance with Section 135 of the Act and Rule 5(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Annual Action Plan shall include, inter alia:

a) the list of CSR projects or programmes to be undertaken in areas or subjects specified in Schedule VII of the Act;
b) the manner of execution of such projects or programmes;
c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
d) the monitoring and reporting mechanism for the projects or programmes; and
e) details of need and impact assessment, if applicable.

6.4 The Board of Directors may alter the Annual Action Plan at any time during the financial year, based on reasonable justification, in accordance with the applicable provisions of the Act and the Rules.

6.5 The Board of Directors shall be responsible for reviewing this Policy from time to time and monitoring the implementation of CSR activities in accordance with the Act and the Rules made thereunder.

6.6 The Board of Directors shall review the progress of CSR activities through appropriate

monitoring mechanisms, review the implementation of approved CSR projects and programmes and take such decisions as may be necessary for effective implementation of the CSR Policy.

6.7 The Board of Directors shall monitor the CSR expenditure of the Company and ensure compliance with the minimum CSR spending requirements prescribed under the Act.

6.8 Transparent Monitoring Mechanism

The Board of Directors shall ensure an appropriate and transparent monitoring mechanism for implementation of the CSR projects, programmes and activities approved by it.

The Board may obtain professional advice from external sources and may call for such information, records, reports or assistance from employees, consultants, implementing agencies or other persons as may be considered necessary for effective implementation of the CSR Policy.

6.9 Monitoring

i) Appropriate documentation of annual CSR activities, reports on execution by CSR Partner(s) and CSR expenditure will be undertaken on a regular basis and the same will be made available to the Board of Directors of the Company.

ii) Initiatives undertaken on the CSR front will be reported in the Annual Report of the Company.

iii) The CSR Committee will conduct, or cause to do so, due diligence checks on the current projects/partners on a need basis and report anomalies, if any, immediately.

iv) Based on analysis of current projects, carry out planning exercise for allocation of budget and selection of projects.

7. CSR Spend

7.1 The Company shall endeavour to spend, in every financial year, an amount not less than the minimum amount prescribed under the Companies Act, 2013 and the rules made thereunder towards its Corporate Social Responsibility obligations.

7.2 The Board of Directors shall determine and approve the amount of expenditure to be incurred on CSR activities and shall discharge the functions assigned to the CSR Committee under the Companies Act, 2013, wherever the requirement for constitution of a CSR Committee is not applicable.

7.3 All reasonable efforts shall be made to ensure that the annual CSR allocation is fully utilised during the respective financial year. In case the Company is unable to spend the amount required to be spent towards CSR, the Board shall specify the reasons for not spending the amount in its report under Section 134(3)(o) of the Act and shall deal with the unspent amount in accordance with the applicable provisions of Section 135 of the Act and the rules made thereunder.

7.4 Any amount remaining unspent in a financial year in respect of an ongoing project shall be transferred by the Company, within thirty days from the end of the financial year, to a special account to be called the Unspent Corporate Social Responsibility Account, in accordance with Section 135(6) of the Act. Such amount shall be spent by the Company towards CSR within a period of three financial years from the date of such transfer, failing which the unspent amount shall be transferred to a Fund specified in Schedule VII of the Act within thirty days from the date of completion of the third financial year.

7.5 Where the Company spends an amount in excess of the CSR expenditure required under Section 135(5) of the Act, such excess amount may be set off against the CSR expenditure requirement for such number of succeeding financial years as may be prescribed, subject to the conditions prescribed under the applicable rules and a resolution to that effect being passed by the Board of Directors.

7.6 The Company will give preference to the local area and areas around which it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

8. Reporting to Shareholders

The Board of Directors shall ensure that the CSR disclosures and annual reporting requirements prescribed under the Act and the Rules are duly complied with and appropriately included in the Board's Report, wherever applicable.

9. Frequency of Meetings

Where the Company is not required to constitute a CSR Committee pursuant to Section 135(9) of the Act, no separate CSR Committee meetings shall be required. Matters relating to CSR shall be considered and approved by the Board of Directors at its meetings, as applicable.

10. Quorum

The provisions relating to quorum of a CSR Committee shall apply only where a CSR Committee is required to be constituted under the Act.

11. Chairperson

Where a CSR Committee is constituted, the Chairperson of such Committee shall be appointed in accordance with the applicable provisions of the Act and the Rules.

Where no CSR Committee is required to be constituted pursuant to Section 135(9), the Board of Directors shall discharge the functions otherwise assigned to the CSR Committee.

12. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

13. Minutes/Records of CSR Matters

Where CSR matters are considered by the Board in discharge of the functions of the CSR Committee pursuant to Section 135(9) of the Act, the relevant decisions, approvals and

deliberations shall be recorded in the minutes of the meetings of the Board of Directors.

Where a CSR Committee is constituted, the proceedings of its meetings shall be recorded and maintained in accordance with applicable law.

14. Amendments to the Policy

The Board of Directors may, on its own or, where a CSR Committee is constituted, upon the recommendations of the CSR Committee, amend or modify this Policy from time to time, as may be deemed appropriate.

Any or all provisions of this Policy shall be subject to the applicable provisions of the Companies Act, 2013, the rules made thereunder and any amendments, modifications, notifications or statutory changes thereto from time to time.

In the event of any inconsistency between the provisions of this Policy and the applicable provisions of the Companies Act, 2013 or the rules made thereunder, the provisions of the Companies Act, 2013 and the rules made thereunder shall prevail to the extent of such inconsistency.

15. Statutory Amendments

Any amendment, modification, clarification, notification, circular, rule or other change in the provisions of the Companies Act, 2013 relating to Corporate Social Responsibility ("CSR") and the rules made thereunder shall, to the extent applicable, be deemed to be incorporated into this Policy from the date such amendment or change becomes effective.

The Board of Directors and/or the CSR Committee, where constituted, shall be authorised to take all such necessary actions and make such consequential changes to the implementation of this Policy as may be required to give effect to such amendments or changes.

In case of any inconsistency between any provision of this Policy and the provisions of the Companies Act, 2013 or the rules made thereunder, the provisions of the Companies Act, 2013 and the rules made thereunder shall prevail to the extent of such inconsistency.

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REVISION HISTORY

Version No.	Reviewed by	Approved by	Release Date
1	Company Secretary & Compliance officer	Board of Directors	06.10.2021