



JHAVERI FLEXO INDIA PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY

(CSR) POLICY

CONFIDENTIAL

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Corporate social responsibility policy

1. SHORT TITLE & APPLICABILITY:

1.1 The Corporate Social Responsibility (CSR) policy of the Company encompasses its philosophy for describing its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. Further pursuant to Section 135 of the Companies Act, 2013, and The Companies (Corporate Social Responsibility Policy) Rules, 2014 with statutory amendments, from time to time every Company having net worth of Rs. 500 Crores or more or turnover of Rs. 1,000 Crore or more or net profit of Rs. 5 Crores or more during the immediately preceding financial year shall constitute Corporate Social Responsibility Committee ('CSR Committee') and the CSR Committee shall formulate and recommend Policy.

1.2 This policy shall apply to all CSR initiatives and activities taken up by **Jhaveri Flexo India Private** (herein after referred as "JFIPL CSR Policy") for the benefit of different segments of the society and our earth at large.

1.3 The CSR Policy on Corporate Social Responsibility and recommended the same to the Board of Directors of the Company ('Board') for their approval and adopted the revised CSR Policy with immediate effect and supersedes the earlier policy approved by the Board of Directors at their meeting held on June 06,2023.

2. OBJECTIVES OF THE POLICY:

This Policy shall be read in line with Section 135 of the Companies Act, 2013, The Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (Collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time and will inter-alia provide for the following:

- a. To lay down guidelines to make CSR a key business process for sustainable Development of the society.
- b. To directly/indirectly undertake projects/programs which will enhance the Quality of life and economic well-being of the communities in and around our Plants and the society at large.
- c. To generate goodwill and recognition among all stake holders of the company.

3. DEFINITIONS:





In this policy unless the context otherwise requires:

(a) Act means the Companies Act, 2013 and includes any other rules, regulations made under the Act, statutory amendments, from time to time, and any other statutory enactment thereof;

(b) Corporate Social Responsibility means the Corporate Social Responsibility as defined in the Section 135 of the Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014 with statutory amendments, from time to time;

(c) Ministry means the Ministry of Corporate Affairs;

(d) Independent Director means the Director as defined and enunciated in sub section 6 of section 149 of the Act, 2013;

(e) Net Profit means net profit as defined in Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014 with statutory amendments, from time to time;

(f) Committee shall mean the CSR Committee formed by the Board of Directors of the Company;

(g) Activities shall mean the CSR activities as prescribed by the Committee to the Board in cohesion with those enunciated in the schedule VII of the Act, 2013 for the benefits of the localities of nearby area of the company;

(h) Board shall mean Board of Directors of Jhaveri Flexo India Private Limited (Formerly known as Jhaveri Flexo India Limited).

Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

4. CSR ACTIVITIES:

Company will conduct CSR Activities either by way of Project/Programme or giving Lump Sum Amount to any Charitable Trusts/Section 8 Company/Foundation who carries activities covered under Schedule VII of Companies Act, 2013 read with Amendment from time to time for the Benefit of Society at large.

The expenditure incurred for the following activities shall not be treated as CSR activity by the Company:

- Activities undertaken in pursuance of the normal course of business.



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- Activities that benefit exclusively the employees of the company or their family members; - One-off events such as marathons/ awards/ charitable contribution/ advertisement/ sponsorships of TV programmes etc; -
- Expenses incurred by companies for the fulfillment of any Act/ Statute of regulations (such as Labour Laws, Land Acquisition Act etc.).
- Further, the surplus arising out of the CSR projects or programs or activities shall not form part of business profits of the Company.

5. ADDITION OF CSR ACTIVITY NOT BEING A PART OF APPROVED CSR PROGRAMME:

The Committee shall be authorised to recommend additional activities that are not a part of the annual approved CSR Programme if it is noticed during the financial year that the amount spent on approved CSR activities / projects is not as per agreed schedule. The same will be ratified by the Board of Directors.

6. THE GEOGRAPHIC REACH:

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. The Company will thus give preferences to conduct CSR activities in the Local area where it have operations from time to time. Further, the Committee may identify and recommend such areas as it may deem fit to the Board of Director(s) for undertaking CSR activities.

7. ANNUAL SPENDS/ALLOCATION OF FUNDS:

7.1 The Company would spend not less than 2% of the average net profits of the Company made during the three immediately preceding financial years. The Surplus arising out of the CSR activity will not be part of business profits of the Company.

7.2 However if the Company ceases to be covered under Section 135(1) of the Act for three financial years, then it shall not be required to, comply with the provisions laid down under Sub Section (2) to (5) of the said Section, till such time it meets the criteria specified under the Act.

8. CSR COMMITTEE:

CSR Committee shall be formed as per the applicable laws and the committee shall be responsible for the implementation/monitoring and reviewing of this policy and various projects/activities undertaken under the policy. The CSR Committee shall submit periodical or single reports at the end of the year to the board of directors.

9. COMPOSITION OF CSR COMMITTEE OF THE BOARD:





The composition of CSR Committee of the Board of Directors after re-constitution as below:

| Sr. No. | Name | Designation | Chairman/Member |
|---------|------------------------------|--------------------|-----------------|
| 1 | Sandeep Bipinchandra Jhaveri | Managing Director | Chairman |
| 2 | Alay Sandeep Jhaveri | Executive Director | Member |
| 3 | Mrunal Sandeep Jhaveri | Executive Director | Member |

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10. ROLE AND RESPONSIBILITIES OF THE COMMITTEE:

In accordance with the Companies Act, 2013, read together with the CSR Rules, 2014, as amended from time to time, the following are the key responsibilities of the CSR Committee. It shall:

1. Formulate the CSR policy and recommend the same to the Board for its approval.
2. Be responsible for the identification, selection, planning and execution of various programmes / projects and activities under CSR.
3. Recommend the CSR activities / projects and the amount to be expended on such activities / projects, to the Board that the Company will undertake during the relevant financial year.
4. Monitor the implementation of the CSR activities / projects from time to time if its undertaken In-House.
5. Prepare a transparent monitoring mechanism to ensure implementation of the projects / programmes / activities proposed to be undertaken In-House by the Company.
6. Provide a Responsibility Statement in the Annual Report, stating that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives of the Company in letter and in spirit.
7. Interact with governmental and non-governmental bodies as and when required in relation to implementation of CSR activities / projects under this policy.
8. Review performance of the Company in the area of CSR and decide the priority of the activities to be undertaken.
9. Ensure that the conduct of the CSR Policy is in line with the overall Sustainability Objective of the Company.



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11. MEETINGS OF THE CSR COMMITTEE:

During every financial year, the CSR Committee will meet at least once for the purpose of reviewing and monitoring the progress of CSR activities including accounting the amount spent on each of the activities / projects by the Board of Director(s) as per Section 135 of the Companies Act, 2013 and allied rules and schedules.

12. QUORUM OF THE MEETING:

The quorum of the meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher present either in person or via such audio-visual means as permitted under the act at the meeting. Company Secretary of the Company shall act as a Secretary to the Committee.

13. NOTIFIED CSR ACTIVITIES:

Company shall undertake CSR activities as per Schedule VII of the Companies Act, 2013 with Modification/Amendment from time to time or any other activity recommended by Committee within framework of CSR for the benefit of Society at large.

14. TRANSPARENT MONITORING MECHANISM:

The CSR Committee shall ensure proper implementation of the projects/programmes/activities proposed to be undertaken either in house or through Some Charitable Trusts/Section 8 Company/Foundation or incorporating Charitable Trusts/Section 8 Company/Foundation or any other form of entity operating within India from time to time.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any external consultant or such person(s) and for such purposed as may be deemed expedient for the purpose of the accomplishments of overall CSR objectives laid down under the Act.

15. RULES GOVERNING THE CSR POLICY:

In view of the provisions of the Companies Act, 2013, read together with the CSR Rules, 2014, as amended from time to time, the Company is obliged to observe the below-mentioned provisions with respect to CSR Policy:





- a. The Company may generally conduct such programmes and projects as CSR activities (either new or ongoing) excluding those activities undertaken by the Company in the normal course of its business operations and for the benefit of employees or their relatives.
- b. The Company shall undertake its CSR activities only within India.
- c. The Company may conduct or implement its CSR programmes or any particular project or activity through trusts, societies, or companies established under Section 8 of the Act, operating in India and that such organizations have an established track record of at least three years in carrying on activities in related areas. Provided that before considering any such trusts, societies, or Section 8 companies for the purpose of allocating funds, the Company should conduct a comprehensive due diligence of such organizations to ensure its expertise or track record in social projects and also to ensure its political neutrality.
- d. Where the Company has set up an organization registered as a trusts, or Section 8 company, or a society, or a foundation, or any other form of entity operating within India in order to facilitate the implementation of its CSR activities, the following conditions shall be applicable:
- The Company (Contributing Company) may specify the projects / programmes to be undertaken by such an organization for utilising funds provided by it.
 - The Company (Contributing Company) may establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only.
- e. The Company shall ensure that necessary details of its CSR initiatives are mentioned in the Directors' Report of the relevant financial year and on the Company's website in the prescribed format. (As per Annexure A).
- f. The Company shall consider only those activities as CSR activities that are not solely carried out for the benefit of employees of the Company or their family members. It may also encourage its employees to actively and voluntarily participate in the CSR initiatives undertaken by the Company.
- g. The Company may act in association with other companies and pool the resources to undertake CSR activities.
- h. The corpus of the CSR activities would include the following:
- 2% of the average net profits for the three preceding financial years.
 - The surplus arising out of CSR activities of the previous year.



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i. In no case shall the surplus arising out of CSR activities form a part of business profits of the Company.

j. Reporting pertaining to CSR activities of the Company will be done on an annual basis.

16. IMPLEMENTATION SCHEDULES OF CSR ACTIVITIES, FUNDING, ALLOCATION AND TAX TREATMENT OF CSR SPEND:

a. The CSR activities as approved by the Board will be implemented during the relevant financial year as per the implementation schedule recommended by the CSR committee and approved by the Board.

b. The Company will allocate 2% of average of its net profits of the three preceding financial years made by the Company during every block of three years as its Annual CSR Budget to achieve its CSR objectives through implementation of meaningful and sustainable CSR programmes.

c. Tax treatment of the CSR spend of the Company during every financial year shall be in accordance with the provisions of the Income Tax Act, 1961, and rules framed under it as notified by the Central Board of Direct Taxes (CBDT) and as amended from time to time.

d. In any financial year, if the Company fails to spend the required amount as mentioned above, it shall specify the reasons for not spending the same in its Annual Report on CSR Activities.

17. ROLE OF THE BOARD OF DIRECTORS:

The Board shall perform the following duties so far as the CSR Policy of the Company and the activities relating thereto are concerned:

a. Approve the Corporate Social Responsibility Policy for the Company after considering the recommendations made by the CSR Committee.

b. Disclose the contents of the Company's CSR Policy in the Directors' Report and shall also place it on the Company's website.

c. Ensure that the activities included in the CSR Policy of the Company are undertaken by the Company.

d. Ensure that the Company spends at least two per cent (2%) of the average net profits of the Company made during the three immediately preceding financial years in every financial year.

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e.Ensure that preference is given to the local area / areas around it where it operates for spending the amount allocated for CSR activities.

18. CRITERION FOR CSR PARTNER(S):

While identifying the project(s), CSR Committee will assess CSR Partner(s) organizations who would execute the projects at the gross root level. At a minimum they need to meet the following criteria:

- a. The CSR Partner(s) has a permanent office/address in India;
- b. The CSR Partner(s) is a Charitable Trusts, Societies or Section 8 Company or any Foundation having established track record of three years in undertaking similar CSR programs or projects in pursuance with the relevant regulations;
- c. Possess a valid Income-Tax Exemption Certificate.

19. AMENDMENT IN CSR POLICY:

Any modification / amendment in the CSR Policy shall be carried out by the CSR Committee with the prior approval of the Board of Directors of the Company.

Notwithstanding anything contained in this Policy, the contents of the Policy shall be read in conjunction with all other relevant policies, presently applicable to the Company. The consent / permission under this Policy shall not be considered / construed in derogation with or as an exemption from the requirement of getting consent under any other policy in force / applicable to the Company.

20. DISCLOSURES:

The Annual Report of the Company include a section on CSR outlining the CSR Policy, CSR Committee, CSR initiatives undertaken by Company, the CSR spend/expenses during the financial year and other information as required by the prevailing law.





Annexure A

Format for the Board of Directors report on CSR to form part of the Annual Report of the Company

1. A Brief outline of Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web—link to the CSR Policy and projects or programs.
2. The Composition of CSR Committee.
3. Average Net Profit of the Company for last three financial years.
4. Prescribed CSR Expenditure (two percent of the amount as in item No. 3 above).
5. Details of CSR Spent during the financial year
 - a. Total amount spent for the "financial year:
 - b. Amount unspent:
 - c. Manner in which the amount spent during the financial year is detailed as below:

| Sr. No. | CSR Project/ Activity identified | Sector in which the project is covered | Projects/Programmes 1. Local area/others 2. Specify the state and district where projects or programs were undertaken | Amount outlay (budget) project/programs wise | Amount spent on the project/programs subheads: 1. Direct Expenditure on projects or programs, 2. Overheads | Cumulative Expenditure upto the reporting period | Amount spent: Direct/through implementing agency |
|---------|----------------------------------|--|---|--|--|--|--|
| | | | | | | | |

6. In case the Company has failed to spend the 2% of the Average Net Profit (INR) of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.





7. A Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

May Sharni

.....
(Executive Director/Director)



S. Jhaveri

.....
(Chairman CSR Committee)

For JHAVERI FLEXO INDIA PRIVATE LIMITED

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COMPANY SECRETARY