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CORPORATE SOCIAL RESPONSIBILITY **(CSR) POLICY**



CSR Policy Version History:

Sr. No.	Version No.	Date	Version Details
1	1.0	04-06-2022	Initial Draft
2	2.0	07-11-2023	Revised Draft upon the Conversion of Company from Private Limited to Public Limited

1. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is a Company's sense of responsibility towards the ecological, physical and social environment in which it operates. CSR is a self-regulation business model through which corporate entities achieve balance on economic, environmental and social imperatives with their operations and development. It is a step towards organizations to become socially responsible corporate citizens and creates positive impact on the environment, communities and societies.

2. Preamble

Jay Bee Laminations Limited is a responsible corporate entity. It strives for the overall betterment of the society at large. Firmly rooted in its ethos of social responsibility, Jay Bee Laminations Limited continually allocates resources and initiatives to advance the welfare of society, promoting principles of morality, ethics, and environmental stewardship.

To this end, the Company seeks to undertake Corporate Social Responsibility ("CSR") activities, which extend beyond the scope of the business and focuses on human, environmental and social assets, with a special focus on addressing hunger, malnutrition, education and health.

3. Purpose

In conformity with requirements laid down under Section 135 of the Companies Act, 2013 ("Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") and circulars issued by the Ministry of Corporate Affairs ("MCA"), a "CSR Policy" of the Company was adopted by the Board of Directors at their meeting held on **June 04, 2022**.

Consequent to the Conversion of the Company from Private Limited to Public Limited Company, the Board adopted this Policy on **November 07, 2023**. The Policy can be downloaded from the website of Company at <https://www.jaybeelaminations.co.in>

4. Definitions

- a. "**Act**" means the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.
- b. "**Administrative Overheads**" means the expenses incurred by the Company for 'general management and administration' of CSR functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR project or programme.
- c. "**Approved Budget**" shall mean the total budget as approved by the Board of the Company upon the recommendation of the CSR Committee, which is to be utilized for CSR Projects.

- d. **“Board”** means the Board of Directors of the Company.
- e. **“Company”** shall mean Jay Bee Laminations Limited and wherever the context requires, shall signify the Company acting through its Board.
- f. **“Corporate Social Responsibility (CSR)”** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in The Companies (Companies social Responsibility Policy) Rules, 2014.
- g. **“CSR Annual Plan”** shall mean the annual plan detailing the CSR expenditure for the year.
- h. **“CSR Committee”** shall mean the Corporate Social Responsibility Committee constituted by the Board of the Company in accordance with the Act.
- i. **“CSR Expenditure”** means all CSR expenditure of the Company as approved by the Board upon recommendation of the CSR committee, including the following:
- (i) Contribution to CSR Projects which shall be implemented and/or executed by the Company;
 - (ii) Any other contributions covered under Schedule VII of the Act.
- j. **“CSR Activities”** means projects/programs/initiatives, instituted in India, either new or on-going, to be undertaken by Company in India, pursuant to Section 135 of the Companies Act 2013 along with CSR Rules or such other provisions as may be applicable from time to time as may be amended.
- k. **“CSR Policy”** means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- l. **“Financial Year”** shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
- m. **“Net Profit”** means Net profit as per its financial statement with the applicable provisions of the Act, but doesn't include:
- Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
 - Any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act.
- n. **“Ongoing Project”** means a multi-year project that a Company undertakes to fulfill its CSR obligation within three years, excluding the financial year it was commenced, and shall include projects that were initially not approved as multi-year projects but whose

- duration is extended beyond one year by the Board based on reasonable justification.
- o. **“Rules”** shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.
 - p. **“Thrust Areas”** shall have the meaning as ascribed to them as per provision **“Point 6”** of the Policy.
 - q. **“Trust”** means a Trust created and registered under the India Trusts Act, 1882 by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group Companies.

5. CSR Committee

The Corporate Social Responsibility (CSR) Committee of the Company shall be constituted in accordance with the applicable laws. The CSR Committee shall be responsible for initiating, monitoring, recommending and reviewing CSR activities of the Company undertaken by it from time to time.

a. Constitution of CSR Committee

The Board of Directors shall constitute the Corporate Social Responsibility (CSR) Committee. The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of at least three directors out of which one shall be an independent director. The CSR Committee of the Company shall be comprised of the following Directors:

Sr. No.	Name of Members	Nature of Directorship	Designation in CSR Committee
1.	Munish Kumar Aggarwal	Chairman & Whole-Time Director	Chairman
2.	Mudit Aggarwal	Managing Director	Member
3.	Yogendra Kumar Gupta	Independent Director	Member

b. Powers and Functions of CSR Committee

The CSR Committee of the Company is vested with the following functions and powers:

- To formulate a CSR Policy and recommend to the Board for approval;
- To recommend CSR Activities to be undertaken by the Company as specified in Schedule VII of the Act and rules made thereunder;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor and amend the Corporate Social Responsibility Policy of the Company from time to time as may be required;
- To carry out any other function as mandated by the Board from time to time.

c. Meetings of CSR Committee

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary:

- The CSR Committee shall hold minimum one meeting in a financial year;
- The quorum for the CSR Committee Meeting shall be one-third of its total strength or two members, whichever is higher;
- The membership of the CSR Committee shall be disclosed in the Board Report;
- If CSR activities are outsourced to any external organization, a representative from such organization may be invited to attend a meeting of the CSR Committee;
- The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio-visual means as may be convenient;
- The proceedings of the Meetings of the CSR Committee must be recorded in minutes and signed by the Chairman of the Committee at the subsequent Meeting.

6. Identification of CSR Activities

The Company is eligible to undertake any rightful/suitable activity as specified in Schedule VII of the Act. At present, the Company shall focus to undertake all the activities as Thrust Areas which are reproduced below:

a. **Eradicating hunger, poverty and malnutrition through:**

- Promotion of sanitation and making available safe drinking water, including contribution to the Swachh Bharat Kosh set up by the Central Government;
- Provision of food, nutrition supplements, clothes, etc. for the poor, under-privileged children and other deprived and weaker sections of the society;
- Provision of safe shelter for homeless, abandoned or differently disabled children and adults including tribals and others as may be covered by the Pradhan Mantri Awas Yojana or otherwise.

b. **Promoting healthcare including preventive healthcare through:**

- Organization of awareness programs for prevention of female feticide and road accidents;
- Organization of health check-up camps for diseases prevention, early detection and building immunity;
- Provision of end-to-end access to affordable and quality healthcare for socially and economically backward classes;
- Provision for construction and operation of medical hospitals, colleges and institutions for promotion of healthcare activities, facilities and initiatives;
- Promoting social business projects like giving medical aid, appliances, support and treatment to disabled persons, people suffering from cancer or any other critical illnesses or such other sections as the CSR Committee may decide.

c. **Ensuring environment sustainability and ecological balance through:**

- Promotion of community conservancy for reducing man-animal conflict, increasing India's forest cover and conserving natural resources;
- Adoption of wastelands to cultivate plants and preserve the flora and fauna;
- Plantation drives in schools, colleges, villages, public spaces, business premises and other areas.

d. **Supporting skill development and generation of employment through:**

- Provision of life skills to children, youth and adults thereby boosting their confidence and improve their employability;
- Organization of locally driven skilling initiatives for vocational training for all sections of the society;
- Supporting educational needs of students that help them develop employment skills.

e. **Promoting education especially among children, women, elderly and the differently-abled through:**

- Adoption of non-formal school programs and other educational institutions;
- Provision of educational and material assistance to under-privileged girls to build an educated and literate female population;
- Institution of infrastructure in schools like benches, toilets, potable water, fans, security cameras, etc. and improvisation of educational facilities;
- Providing financial and/or other assistance to any Agency involved in education, knowledge enhancement and sports.

f. Contribution to 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 Schedule Tribes, other backward classes, minorities and women.

7. **Implementation of CSR Activities**

The Company shall implement the identified CSR activities by the following means:

- The Company may itself implement the identified CSR activities presently within the scope of the Thrust Areas as defined in the Policy;
- The Company may also implement identified CSR activities presently through its Trust which is involved in CSR activities within the scope of the Thrust Areas as defined in the Policy;

- The Committee may undertake the CSR activities through following implementing agencies:
 - i. A Company established under Section 8 of the Act;
 - ii. A Registered Public Trust;
 - iii. A Registered Society;

established by the Central Government or State Government either singly or along with any other Company having a track record of at least 3 years in undertaking similar activities established under an Act of Parliament or a State Legislature.

- The Company may collaborate with other companies including its Group Companies if required for undertaking the projects or programs or activities of CSR subject to the conditions.
- The Company may engage the international organizations as notified by Central Government for designing, monitoring and evaluation of the CSR projects or programs as per its CSR policy.

8. Monitoring and reporting on CSR Activities

- The CSR Committee of the Board has instituted “transparent monitoring mechanism” for various CSR Projects / Programs / Activities undertaken by the Company;
- The CSR Committee shall review the implementation of the approved CSR Program;
- The performance of the Company’s CSR activities shall be reviewed and monitored at least on quarterly basis, including annual review by the CSR Committee;
- The Member of the CSR Committee shall be responsible for monitoring the expenditure on CSR activities with respect to the plan and submission of the same to the CSR Committee;
- The CSR Committee will submit a report to the Board at the end of the year as per the format prescribed under Companies Act, 2013 and applicable law. The Board will report CSR performance in its report of Board of Directors.

9. CSR Expenditure

The annual CSR budget would be approved by the Board on the recommendations of the CSR Committee, subject to the provisions of the Act and Rules made thereunder as amended from time to time.

Based on the total approved budget, funds would be allocated for different projects on the basis of identified CSR plan on yearly basis.

The average net profit for the purpose of determining the spending on CSR activities is to be computed in accordance with the provisions of section 198 of the Act and will also be

exclusive of the items given under rule 2(1)(h) of the Companies (CSR Policy) Rules, 2014.

Section 198 of the Act specifies certain additions / deletions (adjustments) to be made while calculating the net profit of a Company (mainly it excludes capital payments / receipts, income tax, set-off of past losses).

10. Quantum of CSR Investment

In pursuant to the provisions of Section 135(5) of the Act, the CSR Committee of the Company shall ensure that the Company spends in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years on the CSR activities of the Company specified under Schedule VII of the Act.

If the Company has not completed the period of three financial years since its incorporation, but it satisfies any of the criteria mentioned in section 135(1), the CSR provisions including spending of at least two per cent of the average net profits made during immediately preceding financial year(s) are applicable.

Jay Bee Laminations Limited was incorporated during FY 1987-88, and as per eligibility criteria the Company is covered under Section 135(1) for FY 2021-22.

If the Company fails to spend such amount **which is not related to any ongoing projects**, the Board shall in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer such unspent amount to a Fund specified under Schedule VII within a period of six months of the expiry of the financial year.

In case the unspent amount **relates to any ongoing projects**, subject to fulfilling of prescribed conditions, unspent amounts to be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the **“Unspent Corporate Social Responsibility Account”**. Such amount shall be spent by the Company in pursuance of its obligation towards the Policy within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

The administrative overhead up to five percent of total CSR expenditure of the Company for the financial year is permitted.

Any surplus arising out of CSR activities shall be prohibited to form part of business profits 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 the CSR policy or transfer such surplus amount to a Fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year.

If the Company spends an amount in excess of requirement, such excess amount may be set off against the CSR spending requirement up to immediate succeeding three financial years subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities.

11. Exclusion from CSR Activities

The following activities are specifically excluded from being considered as eligible CSR activity and shall not form part of the CSR activities of the Company:

- Any CSR activities undertaken in pursuance of normal course of business of a Company except research and development activity of new vaccine, drugs and medical devices related to COVID- 19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions;
- Any CSR activities which benefit only the employees of the Company and their families as defined in section 2(k) of the Code on Wages, 2019;
- Any CSR projects/programs undertaken outside India except for training of Indian sports personnel representing any State or Union Territory at national level or India at international level
- A contribution of any amount directly or indirectly to any political party under section 182 of the Act or any funds directed towards political parties or political causes;
- Any sponsorship activities for deriving marketing benefits for products / services;
- Any activities for fulfilling statutory obligations under any law in force in India.

12. Impact Assessment

If the Company having average CSR obligation of Rs. 10 Crores (Rupees Ten crores) or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, the Company will undertake impact assessment (through an independent agency) for CSR projects that have outlays of Rs. 1 crore or more and have been completed at least one year before undertaking the impact study and the impact assessment reports will be placed before the Board and annexed to the annual report on CSR as per the Act and CSR Rules.

13. Amendments to the CSR Policy

Words and expressions used but not defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the CSR Rules made thereunder or in any amendment thereto. This CSR Policy shall also be subject to such clarifications and FAQs as may be issued by Ministry of Corporate Affairs from time to time.

The Board of Directors of the Company shall have the powers to revise / modify / amend this Policy from time to time, as the Board may think fit, based on the recommendations to be made by the CSR Committee.

Any subsequent amendment / modification in the CSR Rules made by the MCA, under the Act and /or any other laws in this regard shall automatically apply to this Policy.