

CSR POLICY FOR ZYDEX INDUSTRIES PRIVATE LIMITED

- 1) **SHORT TITLE:** This Policy in relation to the Corporate Social Responsibility (“CSR”) of Zydex Industries Private Limited as the “CSR Policy” and shall include any alterations, amendments or modifications hereto from time to time.
- 2) **VISION STATEMENT, OBJECTIVE AND APPLICABILITY**
 - A. The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programs geared towards social welfare activities or initiatives.
 - B. This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 ("Act") and the rules issued thereunder
 - C. Notwithstanding anything to the contrary contained in this CSR Policy but subject to applicable law, in the event that the Company fails to meet the thresholds set out under Section 135(1) of the Act for three consecutive financial years, it shall not be required to: (i) Constitute/maintain the CSR Committee; and (ii) Comply with the provisions of this CSR Policy till such time as it again meets the criteria specified in Section 135(1) of the Act

3) IMPLEMENTATION OF THE CSR POLICY

The Board shall be responsible for implementing the mandate of the CSR Policy and shall ensure that the CSR Activities are carried out in accordance with the CSR Policy read with the Act and CSR Rules and the annual action plan formulated and recommended by the CSR Committee.

- A. The Company may engaged To promote, encourage, support, assist, aid and advance education and medical activities by promoting schools, colleges, university(s) for pre-primary, primary, secondary, undergraduate, post-graduate, doctoral, post-doctoral, vocational or otherwise in various branches or fields of education and to promote hospitals, nursery homes, healthcare services for treating any ailment, illness, disability, disorder or disease, to undertake, carry out, promote and sponsor development of life in every aspect in rural and urban areas and to promote, encourage, support, assist and protect arts and culture., to undertake or encourage or support projects for the running of non-conventional and renewable sources of energy systems, including rural electrification; also for improving the productivity it would create awareness and initiate/support projects for preserving our forests, agro forestry, wildlife, rivers, lakes, seas or all other natural resources also undertake or to help undertake the development of wastelands, deserts, marshlands, including soil, air and water conservation and preservation of bio-diversity ,to promote activities that would help talented & promising sports persons, individuals, groups or organizations in achieving excellence in field of sports and to establish or help in establishment of or support institutions providing facilities for training and practice in various games and sports and also to promote various games and sports including rural sports, nationally recognised sports, Paralympics’ sports and Olympic sports, to promote ecologically sustainable agriculture and to recognise and support excellence in scientific research in the field of agriculture and to educate farmers to go chemical free and to promote, encourage, undertake activities which are included in Schedule VII of the Companies Act, 2013 including further amendments made by Central Government in Schedule VII of the said Act from time to time.

- B. The Board shall empower the Implementation Group to finalize, approve and execute various agreements, deeds, writings, confirmations, undertakings or other documents, as may be necessary, under the Common Seal of the Company or otherwise, with any party including Implementing Agencies and/or others for the purposes of the CSR Policy and accept modifications, changes and amendments to any such documents/ agreements as it may deem fit.
- C. In case of failure to ensure the minimum CSR Expenditure i.e. 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years, detailed reasons for the same should be submitted by the Implementation Group to the CSR Committee and the Board. Further the Board shall duly include such explanation in their annual board of directors' report.

4) CSR COMMITTEE

- A. The CSR Committee shall be responsible for providing recommendations to the Board with respect to CSR Activities that may be undertaken by the Company in accordance with the CSR Policy as well as the Act and the CSR Rules
- B. Without prejudice to the generality of the foregoing, the CSR Committee shall be responsible for the following activities:
 - (i) Formulating and recommending CSR Policy to the Board of Directors;
 - (ii) Recommend amount of expenditure to be incurred on CSR activities;
 - (iii) Monitor CSR policy of the company; and
- C. Name of CSR Committee Members
 - (I) Mr Ajay Ranka
 - (II) Mrs. Seema Ranka
 - (III) Mrs. Pooja Ranka
- D. No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

5) CSR EXPENDITURE

- A. The Company shall spend at least 2% (two percent) of average Net Profits of the Company made during the three immediately preceding financial years in accordance with the Act and the Rules and the CSR Policy.
- B. The CSR Committee shall recommend the manner in which the CSR Expenditure shall be incurred in a year, in accordance with the Act and the Rules and the CSR Policy.
- C. The Board shall be responsible for sanctioning the CSR Expenditure and along with the CSR Committee responsible for taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Group for application towards the CSR Activities.
- D. Any surplus arising out of the CSR Activities shall not form part of the business profit of the Company and may only be re-allocated to the CSR Activities being undertaken in terms of this CSR Policy and the annual action plan for the financial year in which such surplus has arisen
- E. In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws and shall not include the following:
 - (i) Activities undertaken in pursuance of normal course of business of the company and any activity undertaken by the company outside India except for training of

- Indian sports personnel representing any State or Union territory at national level or India at international level;
- (ii) contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- (iii) activities benefitting employees of the company as defined in clause (k) of Section 2 of the Code on Wages, 2019 (29 of 2019);
- (iv) Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- (v) Activities carried out for fulfilment of any other statutory obligations under any law in force in India.
- (vi) Projects/activities not falling within Schedule VII (i.e. activities mentioned under CSR initiatives and programs)

6) CSR ACTIVITIES

- A. The Board shall ensure that the CSR Activities that are undertaken by the Company should be within the scope of the following activities as specified in the schedule VII section 135 of the Companies Act'2013:
 - (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
 - (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, woman, elderly, and the differently abled and livelihood enhancement projects;
 - (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically back ward groups;
 - (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, 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;
 - (v) 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;
 - (vi) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
 - (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
 - (viii) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for social-

- economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government, and contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)
 - (x) Rural development projects;
 - (xi) Slum area development Explanation - For the purpose of this item, the item 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under law for the time being in force;
 - (xii) Disaster management including relief, rehabilitation and reconstruction activities; and
 - (xiii) Any other activity as may be specified under Schedule VII of the Companies Act, 2013, from time to time.