

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. INTRODUCTION

With the applicability of section 135 of Companies Act, 2013, the board has examined the applicability on the Company and has found that since the company falls under the criteria of applicability of section 135, it is hereby decided to form a CSR policy for spending 2.00% of average net profit of preceding three financial years on the activities as mentioned in Schedule VII of the Companies Act, 2013. We believe that Company's CSR initiative would play a pivotal role in improving the lives of the communities and society at large. This would also enable us to fulfill our commitment to be socially responsible corporate citizen.

2. OBJECTIVE

The main objective of CSR policy is:

1. To lay down guidelines to make CSR a key business process for sustainable development of the society.
2. To directly/indirectly undertake projects/programs this will enhance the quality of life and economic well-being of the communities in and around our plant and society at large.
3. To generate goodwill and recognition among all stake holders of the company.

Further we recognize that we must integrate our business values and operations to meet the expectations of our stakeholders. They include customers, employees, investors, suppliers, the community and the environment.

- We recognize that our social, economic and environmental responsibilities to these stakeholders are integral to our business. We aim to demonstrate these responsibilities through our actions and within our corporate policies.
- We take seriously all feedback that we receive from our stakeholders and where possible, maintain open dialogue to ensure that we fulfill the requirements outlined within this policy.
- We shall be open and honest in communicating our strategies, targets, performance and governance to our stakeholders in our continual commitment to sustainable development.
- The Directors of the company and committee members who are same are responsible for the implementation of this policy and will make the necessary resources available to realize our corporate responsibilities. The responsibility for our performance on this policy rests with all employees throughout the company.
- We shall encourage suppliers and contractors to adopt responsible business policies and practices

3. COMMITTEE COMPOSITION

The CSR Committee of the Board shall be composed of both Directors. The CSR Committee shall consist of the following directors:

- a. Mr. Sandeep Goyal
- b. Mrs. Kanta Goyal

Members of the CSR Committee may be replaced by any other member of the Board.

4. COMMITTEE MEETINGS

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities.

5. DUTIES AND RESPONSIBILITIES OF CSR COMMITTEE

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII. Any amendments/ inclusions made to Schedule VII of the Companies Act, 2013 shall be taken into consideration.
- ii. Recommend the CSR Expenditure to be incurred on the CSR activities/ programs.
- iii. Institute a transparent mechanism for implementation of the CSR projects and activities. Effectively monitor the execution of the CSR activities.
- iv. Prepare an annual report of the CSR activities undertaken for GLS Films Industries Private Limited and submit such report to the Board.

6. RESPONSIBILITY OF THE BOARD

- i. Approve the CSR Policy and the CSR Expenditure after taking into consideration the recommendations made by CSR Committee.
- ii. Ensure the CSR spending every financial year of at least 2% of the average net profits made during immediately preceding 3 financial years, in pursuance with the Policy.
- iii. Ensure that the CSR activities included in the CSR Policy are undertaken by GLS Films Industries Private Limited and that such activities are related to the activities specified in Schedule VII of the Companies Act, 2013.

7. CSR EXPENDITURE

- i. In every financial year, Company shall spend a minimum of 2% of its average Net Profits in the immediately preceding three (3) financial years. Average Net Profits shall be calculated in accordance with the provisions of section 198 of Companies Act, 2013.
- ii. CSR Expenditure shall mean all expenditure incurred in respect of specific projects/ programs relating to the approved CSR activities.

- iii. CSR Expenditure shall not include expenditure on an item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in Schedule VII.
- iv. CSR Expenditure shall not include Projects or programs or activities undertaken outside India.
- v. The surplus arising out of the CSR activities or projects shall not form part of the business profit of Company.
- vi. Contributions by other GLS affiliates or employees may also be received and utilized in respect of the CSR activities undertaken.

8. CSR mainstay

CSR activities shall be carried out through Contribution / donation made to such other Organization / Institutions as may be permitted under the applicable laws from time to time or directly by the Company for fulfilling its responsibilities towards various stakeholders.

10. CSR Activities:-

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time.

S.No.	Area	Activities/Initiatives/Programs proposed to be taken
1a.	Eradicating hunger, poverty and malnutrition	Agro Based livelihoods, Better Cotton Initiatives, Agriculture Development, KrishiVigyan Kendra.
1b.	Promoting health care including preventive healthcare and sanitation	Health and Sanitation Development programs, medical camps, programs for HIV Aids etc.
1c.	Providing safe drinking water including contribution towards “Swacch Bharat Kosh”	Drinking water programs, construction of check dams, dykes, ponds, links, channels, wells and water storage tanks.
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently able and livelihood enhancement projects;	Construction and running of schools and libraries, vocational training and special education institutes, providing financial assistance and scholarships for higher education. Undertaking and skills and entrepreneurship programs.
3	Women Empowerment and Facilities for Senior Citizens	Setting up centers and institutions for women & senior citizenship. Promoting SHGs (Self Help Groups) amongst women for undertaking income

		generating activities.
4.	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 <u>“Clean Ganga Fund”</u> set up by Central Government for rejuvenation of river Ganga;	Horticulture plantation, agro farm forestry, afforestation, projects on non-conventional energy (biogas), animal husbandry programs, forest conservation projects, water resource management and soil conservation, promoting micro-irrigation etc.
5.	Promotion and protection of art & culture	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;
6.	Measures for the benefit of armed forces veterans, war widows and their dependents;	Activities/programs for benefit of armed forces and families.
7.	Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;	Projects/programs promoting various sports activities
8.	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;	Projects/programs for the development and upgrading of technology
9.	Contribution/Financial Assistance	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 Scheduled Tribes, other backward classes, minorities and women;
10.	Rural development projects	Rural infrastructure projects and agriculture development programs and projects.
11.	Slum Area Development	Slum Area Development and such other activities as may be prescribed by the Ministry from time to time.

11. Exclusion from CSR

The following activity shall not form part of the CSR activities of the Company:-

1. The activities undertaken in pursuance of normal course of business of a company.
2. CSR projects/programs or activities that benefit only the employees of the Company and their families.
3. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes.
4. Any CSR projects/programs or activities undertaken outside India.

12. Monitoring & Reporting

The CSR Committee will be responsible for the monitoring CSR activities and report to the Board from time to time.

The CSR Committee has the powers to:

- 1 Seek monitoring and implementation report from the Organization receiving funds.
- 2 Delegate a designated company official to co-ordinate with the Organization receiving funds to inspect the activities undertaken and ensure information in a timely manner.

13. Disclosures

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