



# **CORPORATE SOCIAL RESPONSIBILITY POLICY**

<b>Version Control</b>		
<b>Sl. No.</b>	<b>Approving Authority</b>	<b>Date of Approval / Amendment</b>
1.	Board of Directors	30 May 2014
2.	Board of Directors	21 June 2021
3.	Board of Directors	09 February 2023

## CORPORATE SOCIAL RESPONSIBILITY POLICY

1. **Preamble:** Reliance Chemotex Industries Limited (RCIL) has been one of the foremost proponents of inclusive growth since inception and has been continuing to undertake projects for overall development and welfare of the society in the field of environmental, conservation of natural resources, promoting proactive healthcare, education, rural development projects etc.
2. **Objectives:** The Company is growing well in textile sector and also have clear focus on social upliftment and environment protection for inclusive growth on a truly empowered society. This CSR Policy lays down the guidelines and mechanism to carry out CSR Projects by the Company and report its CSR Work in the format provided by CSR rules under the Companies Act, 2013 (the Act).
3. **CSR Committee:** As per the provisions of section 135 (9) of the Companies Act, 2013, where the amount to be spent by a company does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of the company.

The duties and the responsibilities of the CSR Committee in terms of the Companies Act, 2013, rules thereunder and CSR Policy, be and are hereby entrusted with the Board of Directors with effect from May 25, 2022.

4. **CSR Policy:** This policy has been framed in accordance with the provision of Section 135 of Companies Act, 2013 and in accordance with CSR Rules notified thereof by the ministry of Corporate Affairs, Government of India and shall apply to all CSR Projects to be undertaken by the company as per schedule VII of the Act, within the geographical limits of India only, for the benefit of marginalized, disadvantaged, poor or deprived section of the community.
5. **CSR Activities & Budget:** The Company shall undertake CSR activities as defined in Schedule VII of the Act, The Board would approve the amount, Company shall spent on CSR activities during every financial year as required under law.

### Key Activities:

In alignment with our vision of building lasting solution for communities in and around where we work and live a three pronged approach will be adopted as focus areas for Company's CSR efforts:

- Improving Health and Nutrition
- Improving learning outcomes through education
- Promoting gender equality and empowering women
- Reducing child mortality and improving maternal health

The focus under each theme will include:

- **Health and Nutrition:** Rural health care in India faces a crisis unmatched by any other sector of the economy. Rural India has several villages with significant challenges in access and quality of health care, lack of knowledge and access to sanitation facilities, personal and community hygiene and drinking water solutions. RCIL believes there is an opportunity to lead holistic development through support in the food and nutrition space. RCIL is committed to working towards improving lives of the rural communities with its program of construction of public toilets, dispensaries, hospitals, mid-day meals etc.
  - **Education:** Promoting education, including special education and employment- enhancing vocational skills especially among children, women and differently abled, and livelihood enhancement projects; monetary contributions to academic and other institutions with the objective of assisting students in their studies.
  - **Gender Equality And Empowerment Of Women:** Promoting gender equality and empowering woman; setting up homes, hostels and day care centers for woman; such other facilities for old age women; and adopting measures for reducing inequalities faced by socially and economically backward women.
  - **Reducing child mortality and improving maternal health:** To fast-track progress, integrated maternal and child health interventions focusing on infant mortality, as well as holistic policies to address the underlying causes of maternal and child deaths, will be important.
6. **Governance of the CSR Policy:** The Board will constitute a governing mechanism to looking the CSR Policy. The Board shall be responsible for all the decision taken with regards to the company CSR Policy.
7. **Planning & Implementation:** The company shall undertake the CSR Projects defined under Schedule VII of Companies Act, 2013. It will be ensured that all the CSR activates are compliant of provision of Companies Act 2013 and Schedule VII to the Act.
- a) Implementing Agency : The Project can be undertaken by
- i) The Company
  - ii) A collaborative efforts with other bodies corporate
  - iii) Any/all of the following established by the company or its holding or subsidiary or associate company
    - a) Registered Trust
    - b) A Registered Society
    - c) A Section 8 Company registered under Companies Act, 2013.In case any of above is not established by the company or its holding or subsidiary or associate company than the Institution must have established record of three years in undertaking

similar projects.

iv) Contribution to Approved Government Institutions

b) CSR Team: The CSR Team will be responsible for actual on ground implantation of CSR Projects.

8. **Monitoring:** Monitoring mechanism shall be prepared by the company to ensure the process & function of CSR as mandated by the Board. The Board will be responsible for the monitoring of various CSR Projects or Programme.

The Board may also assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit, and ensure implementation thereof.

The CSR team will provide a report to the Board on the progress of implementation of the approved CSR Activities carried out time to time. The aforesaid report will also include confirmation from the Chief Financial Officer that the funds disbursed for the CSR Activities are being utilised for the stated purpose and in the specified manner.

At the end of every financial year, the Board will consider an Annual Report on CSR activities. The said Report will be disclosed as part of the Report of the Board of Directors of the Company (hereinafter referred to as the 'Board's Report').

9. **Impact Assessment & Evaluation:** The Company may take up appropriate evaluation and impact assessment of the projects. The Board Shall evaluate as under :

- Expected outcomes, outputs and inputs will be clearly defined for each programme as per stated timelines.
- There shall be clarity about the scope of the programme and the need before evaluations are undertaken.
- Third parties may be engaged to ensure objective assessment across baseline and end line parameters.

## 10. CSR EXPENDITURE

- It will be the Company's endeavour to spend in every financial year, two percent of its average net profits during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR Activities in pursuance of this Policy.
- The CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Activities undertaken in accordance with this Policy and the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

- Any surplus arising out of the CSR Activities will be used for CSR activities within six months from the end of the relevant financial year and shall not form part of the business profit 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 and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the next three financial years with the approval of the Board.
- The CSR amount may be spent by the Company for creation or acquisition of a capital asset in accordance with the Act and the CSR Rules.
- In case of any unspent amount is arising in any financial year out of the CSR Activities, other than ongoing Activities, such unspent amount shall be transferred within six months from the end of the financial year to a fund specified in Schedule VII of the Companies Act, 2013 or to such specific fund as may be prescribed from time to time for this purpose under the Act and the CSR Rules and the reasons for not spending the amount to be specified by the Board in Boards' Report.
- Where the unspent amount is in respect of any ongoing CSR Activities, the company shall within thirty days from the end of the financial year (or such other period as may be specified) transfer such unspent amount to a separate account called Unspent Corporate Social Responsibility Account to be opened in any scheduled bank by the Company for that financial year. The company shall utilise such unspent amount for the ongoing projects within a period of three financial years from its transfer, failing which such amount shall be transferred to a fund specified in Schedule VII of the Act or to such specific fund as may be prescribed from time to time for this purpose under the Act or Rules framed thereunder within 30 days from the end of the third financial year.
- The Company may collaborate or pool resources with other entities to undertake CSR Activities.

11. **Documentation:** The CSR Team of the company shall ensure that CSR Project are documented and accountability is fixed at requested level.

**Disclosure:** This Policy will be hosted on the Company's website at [www.reliancechemotex.com](http://www.reliancechemotex.com) and web link thereto will be disclosed in the Board's Report of the Company.