

# **BAHL PAPER MILLS LIMITED**

H-475, New Rajinder Nagar, New Delhi-110060

## **Corporate Social Responsibility (CSR) Policy**

## **Introduction**

The Corporate Social Responsibility Committee is constituted by the Board of Directors (the “**Board**”) of Bahl Paper Mills Limited (the “Company”), in compliance with Section 135 of the Companies Act, 2013 (“the Act”) read along with Schedule VII & the applicable rules thereto. The present Corporate Social Responsibility (“CSR”) Policy (“the policy”) is in compliance with Section 135(3) of the Act read along with the Companies (Corporate Social Responsibility Policy) Rules, 2013 (“the rules”).

## **Objective**

The main objective of the Policy is to endeavor for sustainable development for the society and ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

## **Activities to be undertaken for CSR / Scope of CSR Activities**

All permissible activity under schedule VII of the Act:

(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, women, 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 centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, 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 art 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 recognised 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) (a) 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

(b) 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 Organisation (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.

### **Modalities and Implementation plan**

The Company may undertake any of the above activities subject to submission of plan with regard to modalities and schedule of implementation of the said activities.

### **CSR Expenditure**

In compliance of the Act & with the approval of the Board of Directors, the CSR Committee shall endeavor to spend at least 2% of the average net profits the three immediately preceding financial year. CSR spend shall be made on or before 31st March of the relevant financial year.

Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the company and be redeployed for such activities.

### **Failure to spend the CSR Money**

In case the Company fails to spend the targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Directors' Report for that particular Financial Year.

### **Monitoring & Reporting**

The provision of this policy shall be subject to amendment by the Board of Directors of the Company as per the recommendation of CSR Committee or pursuant to guidelines as may be issued under the Companies Act or rules framed thereunder from time to time.

The format for the "Annual Report on CSR Activities" to be included in the Board's Report be as follows:

1. A brief outline of the company CSR policy & CSR Strategy Document for the corresponding year, including overview of the projects or program proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
2. The Composition of the CSR Committee.
3. Average net profit of the company for the last three financial years.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above).
5. Details of the CSR spent during the financial year:
  - a. Total Amount to be spent for the financial year;
  - b. Amount unspent, if any;

### **Powers of the Committee**

Following are the Powers of the CSR Committee:

- (i) Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval
- (ii) Recommend CSR activities as stated under Schedule VII of the Act
- (iii) Approve to undertake CSR activities in collaboration with HP Group companies/ other Companies/firms/NGOs etc. and to separately report the same in accordance with the CSR Rules
- (iv) Recommend the CSR Budget

- (v) Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
- (vi) Create transparent monitoring mechanism for implementation of CSR Initiatives in India
- (vii) Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
- (viii) Monitor CSR Policy from time to time
- (ix) Monitor activities/charter of Joint Working Group (JWG) who are authorized to ensure that the CSR activities of the Company are implemented effectively
- (x) Authorize executives of the Company to attend the CSR Committee Meetings

### **CSR Committee**

#### **Composition**

The CSR Committee shall comprise of not less than 3 directors out of which atleast one shall be Independent director.

Present members of the CSR Committee:-

Sr. No.	Name	Status	Designation
1	Mr. Onkar Nath Marwaha	Independent Director	Chairperson
2	Mr. Naresh Kumar Jhanji	Whole Time Director	Member
3	Mr. Naveen Jhanji	Managing Director	Member

The members are liable to change as per decision of the Board of Directors.

#### **Meetings of CSR Committee**

The CSR Committee may meet at such intervals as may be considered appropriate by the Committee or as and when required.

#### **Notice & Agenda of meeting**

A notice of not less than 7 working days before the date of the meeting specifying the date, time & venue of the meeting together with the list of business to be conducted at the meeting shall be circulated to each member of the Committee either physically or by electronic means.

The meeting may be called at shorter notice or the notice period may be waived off to transact the urgent business subject to the condition that at least one independent director, shall be, present.

#### **Quorum**

No business will be transacted at the meeting unless atleast two members are present, one member being an Independent director.

#### **Secretary**

The Company Secretary shall act as the secretary of the Committee meetings.

#### **Minutes of Meeting**

The Secretary shall be responsible for drafting & maintaining the minutes of the CSR Committee meetings.

The draft minutes will be circulated to the members for their inputs and each approved minutes will be placed before the Board of Directors for noting.

#### **Resolution passed by Circulation**

A resolution shall be valid and effective as if it has been passed at a CSR Committee meeting duly called & constituted, if it is passed by circulation by an affirmative majority vote of the members. The resolution passed by the circulation shall be recorded in the minutes of the subsequent meeting of the Committee.

### **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.

### **Procedures**

Procedures for Committee meetings are determined by the Chair unless otherwise determined by the by-laws of the Company or a resolution of the Committee.

### **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 spend during the financial year and other information as required by the prevailing law.