



UMANG BOARDS LIMITED

Corporate Identity Number: U20212RJ1999PLC015397

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

Chapter 1

1. CONCEPT

1.1. PREAMBLE

1.1.1. India has emerged as one of the largest economies in the world, and an increasingly important player in the global scenario, but, it is still home to the largest number of people living in absolute poverty.

1.1.2. Government as well as regulators have framed the mandatory Corporate Social Responsibility provisions under Section 135 of the Companies Act, 2013.

1.2. SHORT TITLE & APPLICABILITY

1.2.1. This policy, which encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the "**CSR Policy**". It has been prepared keeping in mind the company's Code of Business Ethics and to comply with the requirements of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, vide Notification dated 27th February, 2014 (hereinafter referred as "the Act").

1.2.2. This policy shall apply to all CSR initiatives and activities taken up at the various work centers and locations by the Company, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

1.3. CSR VISION STATEMENT AND OBJECTIVE

1.3.1. The main objective of the Policy is to establish the basic principles and the general framework of action for management to undertake and fulfill its corporate social responsibility.

1.3.2. In alignment with vision of the company, the company, through its CSR initiatives, will create value in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community.

1.3.3. Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. Therefore, the Policy will function as a built in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.



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Chapter 2

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- 2.1. The Corporate Social Responsibility Committee shall consist of three or more directors amongst which one shall be an Independent Director. The Constitution of CSR Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Anoop Kumar Dhanuka	Managing Director	Chairman
Dhruv Dhanuka	Whole-Time Director	Member
Shruti Gupta	Independent Director	Member

- 2.2. The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.
- 2.3. The quorum for a meeting of the Committee on CSR shall be one - third of its total strength (any fraction contained in that one third being rounded off as one), or two members, whichever is higher.

2.4. THE CSR COMMITTEE SHALL:

- 2.4.1. 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 of the Companies Act 2013;
- 2.4.2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- 2.4.3. Monitor the Corporate Social Responsibility Policy of the company from time to time.
- 2.4.4. Consider and decide upon any other matter as may be necessary or expedient for the effective implementation of and compliance with the Company's Corporate Social Responsibility Policy and the applicable provisions of law.

2.5 THE BOARD OF DIRECTORS SHALL:

- 2.5.1. After taking into account the recommendations made by the CSR committee, approve the CSR policy for the company and disclose its contents in their report and also publish the details on the Company's website, if any, in such manner laid down in the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- 2.5.2. Ensure that the Company spends at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of its CSR Policy.



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Chapter 3

3. RESOURCES

3.1. FUNDING AND ALLOCATION

- 3.1.1. For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company shall allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget.
- 3.1.2. The Annual CSR Budget shall be spent on activities laid down in **Chapter 4**.
- 3.1.3. CSR expenditure shall include all expenditure incurred on CSR projects or programmes approved by the Board pursuant to the recommendations of the CSR Committee, wherever applicable, in accordance with the Company's CSR Policy and the applicable provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. CSR expenditure shall not include any expenditure incurred on activities that are not in conformity with the CSR Policy or the applicable provisions of law.

Chapter 4

- 4.1. The Company shall identify any one or more of the following areas for its CSR spending:
 - 4.1.1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
 - 4.1.2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
 - 4.1.3. 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 backward groups;
 - 4.1.4. 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 Clean Ganga Fund set-up by Central Government for rejuvenation of river ganga;
 - 4.1.5. Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
 - 4.1.6. 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;



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4.1.7. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;

4.1.8. 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 socioeconomic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

4.1.9.

(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).

4.1.10. Rural development projects.

4.1.11. Slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

4.1.12. Disaster management, including relief, rehabilitation and reconstruction activities.

4.1.13. Subscription to zero coupon zero principal instruments on Social Stock Exchange.

4.2. The CSR projects or programs or activities undertaken by the company in India only shall amount to CSR Expenditure in accordance with the provisions of subsection (5) of section 135 of the Act.

4.3. The activity/list of activities identified by the Company from time to time from the above items shall form part of this CSR Policy.



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- 4.4. The Board of the company may decide to undertake its CSR activities recommended by the CSR Committee, through a registered Trust or a registered society or a company established by the company under section 8 of the Act. Provided that:
- 4.4.1. If such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
- 4.4.2. The Company shall specify the project or programs to be undertaken through these entities, modalities of utilization of funds on such projects and programmes and the monitoring and reporting mechanism.
- 4.6. **EXCLUSIONS:**
- 4.6.1. The CSR activities shall be undertaken by the company, (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.
- 4.6.2. Any Contribution of any amount directly or indirectly to any political party under section 182 of the Act, by the company shall not be considered as CSR activity.
- 4.6.3. The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with section 135 of the Act.
- 4.6.4. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company.

Chapter 5

5. IMPLEMENTATION

The CSR activities shall be undertaken either directly by the Company or through one or more registered trusts or societies with an established track record of three years in undertaking similar programs or projects as specified by the Companies Act, 2013 in such a manner as may be decided by the CSR Committee and monitored by the same. CSR initiatives of the Company will be reported in the Annual Report of the Company and the Board's Report in compliance with Section 135 and rules there under.

Chapter 6

6. FAILURE TO SPENT THE CSR AMOUNT

Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall 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



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any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility 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.

Chapter 7

7. GENERAL

- 7.1. In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.
- 7.2. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.
- 7.3. The Company reserves the right to modify, add, or amend any of these Rules.