

Parcon (India) Private Limited

Corporate Social Responsibility Policy

1	Name of Document	Corporate Social Responsibility Policy
2	Policy	3.0
3.	Effective date of document	1 st April 2021
4.	Release Date	11 th December 2021
5.	Date of last review	7 th September 2020
6.	Next review date	2022-23

a) Objective of the CSR Policy

To promote a unified approach to CSR across Parcon India Private Ltd. ('the Company') by identifying appropriate projects to work with and thereby ensuring a high social impact.

b) CSR Approach & Guiding Principles:

In Parcon (India) Private Limited we are committed to economic, social and cultural growth of the underprivileged in an equitable and sustainable manner. Over the years, the company worked for enrichment of lives across these communities emphasizing the point that a sense of social responsibility is inherent to entrepreneurship. All CSR projects will be in line with the CSR vision, as well as areas listed in Schedule VII of the Companies Act, 2013. It will not include the activities undertaken in pursuance of normal course of business of the Company, projects benefitting the employees of the Company (as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) and as amended from time to time), or contributions of any amount directly or indirectly to any political party. The CSR activities will not include activities supported on sponsorship basis for deriving marketing benefits for its products or services or activities carried out for fulfilment of any other statutory obligations under any law in force in India.

c) CSR Mainstay

"CSR activities of Parcon (India) Private Limited shall be carried out through:

1. Directly by the Company for fulfilling its responsibilities towards various Stakeholders.
2. Rajni Nijhawan Charitable Trust (RNCT) which was established in 2011 by Mr. J. C. Nijhawan, the Chairman Emeritus of the Company in honour of his dearly departed wife Late Rajni Nijhawan. The Trust was formed for Social Welfare, Upliftment of the poor and underprivileged, Medical Relief and Educational purposes.

d) Total Outlay:

From April 1st 2014, in line with the new Companies Act 2013 (the Act), Parcon (India) Private Limited is contributing at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years specifically towards CSR initiatives. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company may spend up to 5% of the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the company. The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company and shall be ploughed back into the same project, or shall be transferred to the unspent CSR Account and it should be spent in pursuance of this CSR policy and annual action plan of the Company, or the Company may transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards CSR within a period of 3 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 30 days from the date of completion of the third financial year.

e) Implementation:

CSR initiatives will be implemented either directly by the Company or Rajni Nijhawan Charitable Trust or any other Implementing Agency.

These organizations would need to be registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961). The above entities shall register with the Central Government by filing the form CSR-1 electronically with the Registrar, applicable from the 1st April 2021.

f) Governance and Monitoring Process:

The Company has a well-defined governance structure to oversee the implementation of the CSR Policy and monitoring of CSR projects as per the requirements of Section 135 of the Companies Act, 2013.

Board-level CSR Committee – The Board Level Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for formulating and recommending to the Board the CSR policy and a CSR annual action plan, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect. The CSR Committee reports to the Company's Board of Directors.

The members of the Board Level CSR Committee are

1. Mr. Rajiv K. Puri, Chairman of the Company
2. Mr. Subir Das, Managing Director of the Company
3. Mr. Partha Dey, Whole Time Director of the Company

g) CSR Annual Action Plan:

The CSR Annual Action Plan shall include the following: -

(a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act,

(b) the manner of execution of such projects or programmes,

(c) the modalities of utilisation of funds and implementation schedules for the projects or programmes,

(d) monitoring and reporting mechanism for the projects or programmes,

(e) details of need and impact assessment, if required for the projects undertaken by the company,

(f) It will be the responsibility of the CSR Committee to monitor periodically the implementation of the projects/ programmes/ activities under this CSR policy and to ensure compliance of the provisions related to CSR mentioned in the Companies Act, 2013 and rules made there under from time to time,

(g) The progress of CSR initiatives and activities will be reported to the Board on a regular basis,

(h) Mrs. Sapna Pasari, Company Secretary shall certify the Annual Action Plan and CSR Report in this respect,

(i) The CSR Policy of the Company shall be uploaded on the Company's website for information of all stakeholders,

Annexure: Version History of the Policy

<u>Version</u>	<u>Prepared by</u>	<u>Date of Approval/Change and Approving Authority</u>
1.	Mrs. Sapna Pasari	Recommended by CSR Committee in its meeting held on 7 th July 2015 Approved by Board of Directors in their Meeting held on 11 th September 2015
2.	Mrs. Sapna Pasari	Recommended by CSR Committee in its meeting held on 8 th August 2020. Approved by Board of Directors in their Meeting held on 7 th September 2020.
3.	Mrs. Sapna Pasari	Recommended by CSR Committee in its meeting held on 11 th December 2021.

		Approved by Board of Directors in their Meeting held on 11 th December 2021.
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CSR ANNUAL ACTION PLAN

CSR Activities:

<u>Implementing Agency</u>	<u>Activities under Schedule VII</u>	<u>Allocated Budgets</u>	<u>Manner of Execution/Implementation Schedule</u>
Atmasakti	Rural Development Projects	1,25,000	During The Financial Year
Jorhat Lions Service Trust	Health Care	50,000	During The Financial Year
Matrichaya	Education	15,000	During The Financial Year
Indian Institute of Cerebral Palsy	Health Care	1,00,000	During The Financial Year
Niswarth	Health Care	15,000	During The Financial Year
Harishpur Tea co. (Sankardev Shishu nicketan)	Education	50,000	During The Financial Year
North Bengal Council for Disabled	Health Care	10,000	During The Financial Year
Rajni Nijhawan Charitable Trust	Education, Health Care	1,00,000	During The Financial Year

Note: The allocated budgets for each of the projects are tentative based on the projections, the actual spends may vary and will be subject to approval of the Board.

B. Monitoring and Reporting Mechanism

- The Company will continue to monitor project implementation and performance of the implementing agency/(ies) on periodic basis via field visits or review calls, as the case maybe.
- The Company to ensure adequate measurable Key Performance Indicators (KPIs) in each program.
- The Company to ensure that the implementing agencies submits project related budgets, details of expenses, Utilisation of funds allocated etc.