CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

RPG INDUSTRIAL PRODUCT PRIVATE LIMITED

1. SHORT TITLE AND APPLICABILITY

1.1 This Policy, which encompasses the philosophy of RPG INDUSTRIAL PRODUCT PRIVATE LIMITED ("Company") for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare and sustainable development of the community at large, shall be titled as the **"Corporate Social Responsibility Policy"** or **"CSR Policy"**.

1.2 This Policy shall apply to all Corporate Social Responsibility ("CSR") initiatives, activities, projects and programmes undertaken by the Company pursuant to Section 135 of the Companies Act, 2013 ("Act") and the rules made thereunder, as amended from time to time.

1.3 The CSR Policy shall be interpreted and implemented in accordance with Section 135 of the Act, Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), as amended from time to time.

1.4 In the event of any inconsistency between this Policy and the applicable provisions of the Act or the CSR Rules, the provisions of the Act and the CSR Rules shall prevail.

2. VISION AND OBJECTIVES

2.1 Vision

In alignment with the vision of the Company, the Company, through its CSR initiatives, shall endeavour to contribute towards sustainable development and enhance value creation in society and the communities in which it operates.

The Company shall undertake CSR activities with the objective of contributing towards social, economic and environmental development and fulfilling its responsibilities as a socially responsible corporate entity.

2.2 Objectives

The objectives of the CSR Policy are:

2.2.1 To undertake CSR activities in accordance with Section 135 of the Act and Schedule VII thereto.

2.2.2 To contribute towards the welfare and sustainable development of communities, particularly disadvantaged and vulnerable sections of society.

2.2.3 To support initiatives relating to education, healthcare, sanitation, environmental sustainability, livelihood enhancement, rural development and other activities falling within Schedule VII of the Act.

2.2.4 To encourage sustainable and measurable social impact through properly planned CSR projects and programmes.

2.2.5 To promote responsible corporate citizenship and contribute towards inclusive growth.

3. CSR PROJECTS / PROGRAMMES / ACTIVITIES

3.1 The Company shall undertake CSR projects, programmes and activities in accordance with this Policy, the Annual Action Plan approved by the Board and the applicable provisions of the Act and CSR Rules.

3.2 The Company may undertake one or more activities specified in Schedule VII of the Act, as amended from time to time, including but not limited to:

a. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

b. Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and differently abled persons and livelihood enhancement projects;

c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

d. 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;

e. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries and promotion and development of traditional arts and handicrafts;

f. Measures for the benefit of armed forces veterans, war widows and their dependants;

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

h. Contribution to specified funds set up by the Central Government for socio-economic development and relief and welfare of specified categories;

i. Contributions or funds provided to technology incubators located within academic institutions approved by the Central Government;

j. Rural development projects;

k. Slum area development;

l. Disaster management, including relief, rehabilitation and reconstruction activities; and

m. Such other activities as may be included in Schedule VII of the Act from time to time.

3.3 The CSR activities shall be undertaken within India, except to the extent specifically permitted under the applicable CSR Rules.

3.4 The Company shall give preference to the local area and areas around which it operates for undertaking CSR activities, subject to the Company's CSR Policy and the applicable provisions of law.

3.5 The CSR activities shall be undertaken in such a manner that they are not designed merely to benefit the employees of the Company or their families, except to the extent specifically permitted under applicable law.

3.6 CSR activities shall not include activities undertaken by the Company in pursuance of its normal course of business, except where specifically permitted under the applicable provisions of law.

4. CSR COMMITTEE / BOARD OF DIRECTORS

4.1 Every company which satisfies the criteria prescribed under Section 135(1) of the Act shall comply with the applicable CSR provisions.

4.2 Where the CSR expenditure required to be incurred by the Company under Section 135(5) of the Act does not exceed **₹50 lakh**, the requirement of constitution of a CSR Committee shall not be applicable and the functions of the CSR Committee shall be discharged by the Board of Directors in accordance with Section 135(9) of the Act.

4.3 Where the Company is required to constitute a CSR Committee, the composition of such Committee shall be in accordance with Section 135 of the Act and the applicable CSR Rules.

Where the Company is not required to appoint an Independent Director under Section 149(4) of the Act, the CSR Committee shall comprise of two or more Directors, as applicable.

4.4 As on the date of approval of this Policy, the CSR Committee of the Company comprises:

a. Mr. Sanjeev Gupta – Chairman

b. Mr. Devanshu Gupta – Member

Note: The above composition shall apply only where constitution of a CSR Committee is legally applicable. Where Section 135(9) applies, the functions of the CSR Committee shall be discharged by the Board.

4.5 The composition of the CSR Committee shall be disclosed in the Board's Report and on the Company's website, wherever applicable.

5. FUNCTIONS AND RESPONSIBILITIES OF THE CSR COMMITTEE

Where a CSR Committee is constituted, the Committee shall:

5.1 Formulate and recommend to the Board the CSR Policy and any amendments thereto.

5.2 Recommend the CSR activities, projects and programmes to be undertaken by the Company in accordance with Schedule VII.

5.3 Recommend the amount of expenditure to be incurred on CSR activities.

5.4 Formulate and recommend to the Board an Annual Action Plan in accordance with the applicable CSR Rules.

5.5 Monitor the CSR Policy and CSR activities from time to time.

5.6 Monitor the implementation of approved CSR projects and programmes.

5.7 Review the progress and utilisation of CSR funds.

5.8 Recommend to the Board any modification in the Annual Action Plan during the financial year, wherever required, in accordance with applicable law.

5.9 Undertake such other functions as may be prescribed under the Act and CSR Rules.

6. ROLE AND RESPONSIBILITIES OF THE BOARD

The Board of Directors shall:

6.1 Consider the recommendations of the CSR Committee, wherever applicable, and approve the CSR Policy.

6.2 Approve the Annual Action Plan recommended by the CSR Committee, wherever applicable.

6.3 Ensure that the CSR activities included in the CSR Policy are undertaken by the Company.

6.4 Ensure that the Company spends the prescribed CSR amount in accordance with Section 135(5) of the Act.

6.5 Ensure that the CSR activities undertaken by the Company are in accordance with Schedule VII and applicable CSR Rules.

6.6 Satisfy itself regarding the utilisation of CSR funds for the purposes and in the manner approved by the Board.

6.7 Where applicable, monitor the utilisation of CSR funds through the Chief Financial Officer or the person responsible for financial management.

6.8 Approve any modification in the Annual Action Plan during the financial year on the recommendation of the CSR Committee, wherever applicable, provided such modification is justified and in accordance with applicable law.

6.9 Disclose the CSR Policy, composition of CSR Committee, approved CSR projects and other applicable CSR disclosures on the Company's website.

6.10 Ensure that the necessary CSR disclosures are included in the Board's Report and other statutory filings, wherever applicable.

7. ANNUAL ACTION PLAN

7.1 The Company shall prepare an Annual Action Plan for each financial year, wherever required under the applicable CSR Rules.

7.2 The Annual Action Plan may include:

a. List of CSR projects and programmes to be undertaken;

b. Manner of execution of such projects and programmes;

c. Modalities of utilisation of funds and implementation schedules;

d. Monitoring and reporting mechanism;

e. Details of need and impact assessment, if any, for the projects undertaken; and

f. Such other matters as may be prescribed under applicable law.

7.3 The Board may alter the Annual Action Plan during the financial year, wherever required, based on the reasonable recommendation of the CSR Committee, wherever applicable, provided such alteration is in accordance with applicable law.

8. CSR EXPENDITURE / FINANCIAL OUTLAY

8.1 The Company shall ensure that the prescribed amount towards CSR expenditure is spent in every financial year in accordance with Section 135(5) of the Act and the CSR Rules.

8.2 The CSR obligation shall generally be at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, or such period as may be applicable under Section 135 of the Act.

8.3 Where the Company has not completed three financial years since incorporation, the CSR obligation shall be determined in accordance with the applicable provisions of Section 135.

8.4 The computation of net profit for CSR purposes shall be made in accordance with Section 135 and the applicable CSR Rules.

8.5 The Company shall give preference to local areas and areas around which it operates for undertaking CSR activities, subject to the nature of the CSR projects and applicable law.

9. ADMINISTRATIVE OVERHEADS

9.1 The Company shall ensure that expenditure on administrative overheads does not exceed the percentage prescribed under the applicable CSR Rules.

9.2 As presently prescribed, administrative overheads shall not exceed **five per cent of the total CSR expenditure of the Company for the financial year**, subject to any amendment in applicable law.

9.3 Expenditure incurred directly for designing, implementing, monitoring and evaluating a particular CSR project shall be dealt with in accordance with the applicable CSR Rules.

10. SURPLUS ARISING OUT OF CSR ACTIVITIES

10.1 Any surplus arising out of CSR activities shall not form part of the business profits of the Company.

10.2 Such surplus shall be dealt with in accordance with the applicable CSR Rules, including:

a. ploughing back such surplus into the same project; or

b. transferring such surplus to the Unspent CSR Account and spending it in pursuance of the CSR Policy and Annual Action Plan; or

c. transferring such surplus to a Fund specified in Schedule VII,

within the period prescribed under applicable law.

10.3 The Company shall maintain appropriate records in relation to any surplus arising from CSR activities.

11. EXCESS CSR EXPENDITURE

11.1 Where the Company spends an amount in excess of its CSR obligation, such excess amount may be set off against the CSR obligation of the immediately succeeding three financial years, subject to the conditions and manner prescribed under the applicable CSR Rules.

11.2 Such excess expenditure shall not include surplus arising from CSR activities.

11.3 The Board shall pass the necessary resolution for such set-off, wherever applicable.

12. IMPLEMENTATION OF CSR ACTIVITIES

12.1 CSR projects may be implemented:

a. directly by the Company; or

b. through eligible implementing agencies permitted under the CSR Rules; or

c. in collaboration with other companies, where permitted under applicable law.

12.2 The Company may undertake CSR activities through eligible entities including:

a. a company established under Section 8 of the Act;

b. a registered public trust or registered society;

c. an entity established by the Central Government or State Government;

d. an entity established under an Act of Parliament or State Legislature; or

e. such other entities as may be eligible under the applicable CSR Rules.

12.3 Where an implementing agency is engaged, such agency shall satisfy all applicable eligibility conditions prescribed under the CSR Rules, including registration with the Ministry of Corporate Affairs through **CSR-1**, wherever applicable.

12.4 The Company shall conduct appropriate due diligence before appointing an implementing agency.

12.5 The Company may enter into appropriate agreements/MOUs with implementing agencies specifying the scope of work, budget, timelines, reporting requirements, monitoring mechanism and utilisation of CSR funds.

13. MONITORING AND EVALUATION

13.1 The Company shall establish an appropriate monitoring mechanism for CSR projects to ensure that:

a. projects are implemented in accordance with approved plans;

b. funds are utilised for approved purposes;

c. project timelines are adhered to;

d. expected outcomes are monitored; and

e. appropriate records and supporting documents are maintained.

13.2 The CSR Committee, wherever applicable, or the Board, as the case may be, shall periodically review the progress of CSR activities.

13.3 The Company may engage independent agencies for monitoring or evaluation of CSR projects wherever considered appropriate.

13.4 Where impact assessment is mandatory under the CSR Rules, the Company shall undertake such impact assessment in the manner prescribed under applicable law.

14. IMPACT ASSESSMENT

14.1 Where the Company is required to undertake impact assessment of CSR projects under the applicable CSR Rules, such assessment shall be undertaken through an independent agency in the prescribed manner.

14.2 The impact assessment report shall be placed before the Board and shall be annexed to the annual report on CSR, wherever required.

14.3 The expenditure towards impact assessment shall be accounted for within the limits prescribed under the applicable CSR Rules.

14.4 As presently prescribed, impact assessment is applicable to companies having an average CSR obligation of **₹10 crore or more** in the three immediately preceding financial years, in respect of projects meeting the prescribed conditions. The Company shall comply with such requirement if and when applicable.

15. UNSPENT CSR AMOUNT

15.1 Where the Company fails to spend the prescribed CSR amount in a financial year, the Board shall specify the reasons for not spending the amount in its Board's Report.

15.2 Where the unspent amount relates to an ongoing project, the Company shall transfer such amount to the **Unspent CSR Account** within the period prescribed under Section 135(6) of the Act.

15.3 The amount transferred to the Unspent CSR Account shall be spent within the period prescribed under Section 135 of the Act and the applicable CSR Rules.

15.4 Any amount remaining unspent after the prescribed period shall be transferred to a Fund specified in Schedule VII within the period prescribed under applicable law.

15.5 Where the unspent amount does not relate to an ongoing project, such amount shall be transferred to a Fund specified in Schedule VII within the prescribed period.

15.6 The Company shall maintain appropriate records and documentary evidence relating to transfer and utilisation of unspent CSR amounts.

16. EXCLUSIONS FROM CSR ACTIVITIES

The Company shall not treat the following activities as CSR expenditure except to the extent specifically permitted under applicable law:

a. activities undertaken in pursuance of normal course of business of the Company;

b. activities undertaken outside India, except activities permitted under the CSR Rules;

c. contribution of any amount, directly or indirectly, to any political party under Section 182 of the Act;

d. activities benefitting only the employees of the Company and their families, except where specifically permitted;

e. activities supported by the Company on a sponsorship basis for deriving marketing benefits for its products or services; and

f. activities undertaken merely to fulfil statutory obligations under any law in force in India.

17. COLLABORATION WITH OTHER COMPANIES

17.1 The Company may collaborate with other companies for undertaking CSR projects or programmes, provided that the respective CSR Committees are in a position to report separately on such projects and programmes in accordance with applicable law.

17.2 The respective contribution and utilisation of funds shall be properly documented.

18. CSR REPORTING AND DISCLOSURES

18.1 The Company shall make the CSR disclosures required under the Act and the CSR Rules in its Board's Report.

18.2 The Company shall disclose on its website, if any, in the manner prescribed under applicable law:

a. the composition of the CSR Committee, wherever applicable;

b. the CSR Policy; and

c. the projects approved by the Board.

18.3 The Company shall maintain the website disclosure in an easily accessible section of its website.

18.4 The Company shall make such other CSR disclosures and filings as may be prescribed by the Ministry of Corporate Affairs from time to time.

19. RECORDS AND DOCUMENTATION

The Company shall maintain appropriate records relating to:

a. CSR Policy;

b. Annual Action Plan;

c. CSR Committee meetings, wherever applicable;

d. Board approvals;

e. CSR projects and programmes;

f. budgets and expenditure;

g. implementing agencies;

h. agreements/MOUs;

i. utilisation certificates and supporting documents;

j. monitoring and evaluation reports;

k. impact assessment reports, wherever applicable;

l. unspent CSR amounts and transfers; and

m. such other records as may be required under applicable law.

20. GOVERNANCE AND TRANSPARENCY

20.1 The Company shall undertake CSR activities in a transparent and accountable manner.

20.2 The Company shall ensure that CSR funds are utilised only for approved CSR purposes.

20.3 The Company shall take reasonable steps to ensure that implementing agencies utilise CSR funds in accordance with the approved projects and applicable law.

20.4 The Company may require periodic reports, utilisation certificates and other supporting documents from implementing agencies.

21. REVIEW AND AMENDMENT OF POLICY

21.1 The CSR Policy shall be reviewed periodically to ensure continuing compliance with the Act, Schedule VII, CSR Rules and other applicable laws.

21.2 Any amendment to this Policy shall be approved by the Board of Directors, based on the recommendation of the CSR Committee wherever applicable.

21.3 The Company shall promptly update the CSR Policy on its website following any amendment, wherever required.

21.4 The Company reserves the right to modify, amend or revise this Policy in accordance with amendments to applicable laws, rules, regulations, notifications and circulars issued by the Ministry of Corporate Affairs or other competent authorities.

22. INTERPRETATION

22.1 In case of any ambiguity or doubt regarding any provision of this Policy, reference shall be made to the applicable provisions of the Companies Act, 2013, Schedule VII, Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable laws.

22.2 In the event of any conflict between this Policy and the applicable statutory provisions, the statutory provisions shall prevail.

23. EFFECTIVE DATE

This CSR Policy shall become effective from the date of its approval by the Board of Directors of the Company.