



Purity Flexpack Limited

CORPORATE SOCIAL RESPONSIBILITY POLICY

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Introduction

Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ('CSR Rules'), including any amendment thereof requires the Corporation to constitute a Corporate Social Responsibility ('CSR') Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report. As our Company, Purity Flexpack Limited falls under the criteria of Section 135 of the Act due to the net profit exceeds Rs. 5 Crores during the year 2020-21, the same has become applicable to the Company.

Accordingly, Purity Flexpack Limited ('the Company') has formulated and adopted this Corporate Social Responsibility Policy ('CSR Policy'). The said policy was first approved and adopted by the Board of Directors at its meeting held on 26th June, 2021.

I. Background

CSR is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by a business to behave ethically and contribute to the economic development of communities who are inequitably endowed. The Corporation believes in conducting its business responsibly, fairly and in a transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates. The Corporation has been making consistent efforts over the years towards economic and social upliftment of the marginalized and vulnerable sections of society.

Though this Policy has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the CSR Rules to undertake CSR activities, the Corporation's engagement with social and ecological issues goes back a long time.

II. Objective

The main objective of this CSR Policy is to lay down guidelines to make CSR a key business process and support programmes aimed at development of communities who are



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inequitably endowed. It aims in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of the Corporation's activities in India.

This Policy states the guiding principles for selection of CSR activities in pursuance of Schedule VII to the Companies Act, 2013, modalities of execution and implementation and monitoring mechanism of CSR projects/programmes.

III. Budget for CSR Activity & CSR Expenses

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit of three immediate preceding financial years. The Company may allocate more fund/amount than the amount prescribed under section 135 of the Companies Act, 2013, for the CSR activities for any financial year. The Committee shall calculate the total fund for the CSR activities and recommend to the Board for the approval. The Board shall approve the total fund to be utilized for CSR activity for respective financial year. However, the Companies (Amendment) Act, 2020 amendment Effective from 22nd January 2021, as per where the CSR amount to be spent by the Company, does not exceed fifty lakh rupees, the requirement 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 such company.

Thereby, the Board has decided to authorize Mr. Anil Patel – Chairman and Managing Director (CEO) and Mr. Kunal Patel – Wholetime Director (CFO) for approval of CSR policy and monitoring CSR activities to be undertaken by the Company.

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the approved CSR activities.



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The Company shall undertake the activities as recommended by the CSR committee and approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (CSR Policy) Rules, 2014.

(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 centres 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 recognized sports, Paralympics 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



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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.

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.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

IV. Identification of activities/projects:

Out of approved CSR activities, the Committee shall decide which activity/project should be given priority for the respective financial year. While arriving at the decision of the



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activity to be undertaken for the respective year, the Committee shall analyze the basic need of the community/ area in which the Organisation operates or at the place where its registered office is situated. The Committee shall record its findings and prioritised the CSR activities.

V. Monitoring the CSR Policy

The Board of Directors shall constantly monitor the implementation of the CSR activities. The CSR committee shall place a progress report, including details of expenses, before the Board on quarterly basis. The Board shall review the same and suggest recommendation, if any, to the committee with regard to implementation process.

VI. Compliance and Reporting

The Committee is responsible to undertake CSR activities as per the approved CSR Policy. Apart from quarterly reporting to the Board about the implementation of CSR activity, a detail report containing the implementation schedule, total budget allocated, actual expenses incur, surplus arising, if any, result achieved, further work to do in the concern CSR activity, Recommendation for the CSR activities for next year etc. should be placed before the Board for its consideration. Any surplus arising out of the fund allocated for CSR activity shall not be the part of the business profit of the Company.

VII. Management Commitment:

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy. Our Corporate Social Responsibility policy conforms to the relevant section of the Corporate Social Responsibility, Rules made under Companies Act, 2013 and amendment(s) to be made thereto in future.

VIII. Display of CSR Activities:

Appropriate documentation and contents of the Company's CSR Policy, annual CSR Initiatives and activities undertaken with the approval of the CSR Committee through any Charitable Trust and/or specialized executing agencies/partners, and information on the



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CSR expenditure incurred will be available on the Company's website www.purityflexpack.com.

IX. Amendments in Law

In the event of any conflict between the Policy and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or Section 135 of the Act or Schedule VII of the Act, the provisions of such Rules or Act shall prevail over the Policy.