



**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

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## 1. Concept

### 1.1 Background

Indorama India Private Limited (hereinafter referred to as “Indorama” or “Company”) is engaged in various social and community welfare initiatives through its Corporate Social Responsibility (“CSR”) projects and programmes.

### 1.2 Title & Scope

- (i) This policy shall apply to the CSR initiatives and activities of the Company at various locations in India, for the benefit of the society at large.
- (ii) This policy is in compliance of Section 135 of the Companies Act, 2013 and the CSR Rules.

## 2. CSR Approach and Guiding Principles

The Company believes in creating synergy between business and the society at large and aims to work towards inclusive and sustainable development of the community in and around its areas of operations and other parts of the country. The objective of the CSR projects / programmes of the Company is to improve the quality of life of the communities, through long term stakeholder value creation and building lasting social impact through interventions in social initiatives for the benefit of the community.

The guiding principles for selection, implementation and monitoring of CSR activities of the Company as well as formulation of the annual action plan shall be as follows:

### i) Selection of CSR Projects and Programmes

- a) While CSR projects / programmes of the Company may be carried out in any part of India, the Company shall give preference to the local areas around its manufacturing facilities.
- b) The Company shall not discriminate against the beneficiaries of the CSR projects / programmes, on any grounds including caste, creed, gender, race, religion, disability or sexual orientation but it may focus its CSR projects / programmes to benefit the economically or socially weaker or marginalised sections of the society.
- c) The Company may select the CSR projects /programmes based on need assessment, consultation with local bodies / government authorities or any other process as may be deemed appropriate considering the nature of activity including the emergent requirements arising out of natural calamity / disaster management, pandemic, etc.
- d) While selecting the CSR projects / programmes having implementation schedule of more than one year or outlay of Rs. One Crore or more, the Company shall endeavor to define the following:

- I. Project / Programme objectives.
  - II. Baseline survey- It would give the basis on which the outcome of the projects / programmes would be measured.
  - III. Implementation schedules - Timelines for milestones of the project / programme.
  - IV. Major results expected and measurable outcome.
- e) The CSR programmes, projects or activities to be undertaken by the Company shall relate to one or more areas or subjects specified in Schedule VII to the Companies Act, 2013, as amended from time to time.

The CSR activities to be undertaken by the Company pursuant to this policy are outlined in **Schedule I** attached hereto. The Company may also make contribution(s) to the Prime Minister's National Relief Fund or any other fund set up by the Central Government from time to time, as it may deem necessary.

**ii) Implementation of CSR Projects and Programmes**

- a) The time period for implementation of a particular project or programme will depend on its nature, extent of coverage and the intended impact thereof.
- b) Indorama will follow a project / programme wise accountability approach to stress on the long term sustainability of its CSR projects / programs. The CSR projects / programmes will be classified as under:
  - I. Ongoing Project - Multi-year CSR project/program having timelines not exceeding three years excluding the financial year in which it is commenced and shall include CSR project /programme which was initially not approved as multi-year project/ programme but whose duration has been extended beyond one year by the Board of Directors of the Company based on reasonable justification; and
  - II. Other Projects – CSR projects/programmes which are not Ongoing Projects will be treated as other projects / programmes.
- c) CSR projects/ programmes shall be implemented with participation of local community, wherever possible, and in consultation with local administration at village, block and district levels, wherever applicable. In order to make the desired impact on the society at large, the Company may synergize its CSR projects /programmes with the initiatives undertaken by the Central / State Government, District Administration and Local Administration, as the case may be.
- d) The CSR projects / programmes shall be executed by the Company itself and/ or through Indorama Janseva Trust and / or any other implementing entities which fulfil the criteria and meet the requirements, as prescribed under Rule 4 of Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "CSR Rules").

**iii) Monitoring of CSR Activities**

- a) The monitoring and reporting mechanism for CSR Projects / Programmes shall be indicated in the annual action plan approved by the Board of Directors of the Company.
- b) The CSR programmes / projects to be monitored using appropriate monitoring tools that may include field visit(s), third party audit(s) or certification(s), periodical review(s) or any other appropriate mechanism.
- c) The Company shall undertake impact assessment, through an independent agency, of its CSR projects / programmes having outlays of rupees one crore or more, as per the requirements of CSR Rules; and
- d) Corporate Social Responsibility Committee (“CSR Committee”) of the Board of Directors shall periodically monitor the progress of the CSR projects / programmes.
- e) The Board of Directors of the Company shall be periodically apprised about the progress of CSR projects / programmes. In case of Ongoing Project(s), the Board of Directors of the Company shall monitor the implementation thereof with reference to the approved timeline and year-wise allocation.

**iv) Formulation of Annual Action Plan**

- a) Depending upon the timeline of implementation of a particular CSR Project / Programme, it shall be identified as an Ongoing Project or Other Project as per the parameters given above.
- b) The CSR annual action plan shall include the following:
  - I. The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
  - II. the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of CSR Rules;
  - III. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - IV. monitoring and reporting mechanism for the projects or programmes; and
  - V. details of need and impact assessment, if any, for the projects undertaken by the Company.
- c) The annual action plan shall include the budget / outlay approved against each of the CSR projects / programmes.

**v) CSR expenditure, treatment of surplus and setting off of excess spent**

The Company every financial year, spends at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the CSR Policy. 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 administrative overheads not to exceed 5% of total CSR expenditure of the Company for the financial year relating to the general management and administration of CSR functions in the company.

Where the Company spends an amount in excess of requirement provided under Section 135(5) of the Act, such excess amount may be set off against the requirement to spend under section 135(5) up to immediate succeeding three financial years subject to certain conditions.

### 3. Powers for Approvals of CSR Projects / Programmes

- a) CSR Committee shall recommend to the Board of Directors of the Company, the expenditure to be incurred on various CSR projects, programmes and activities and the annual action plan for a financial year and in case of an Ongoing Project, the total amount to be spent on the said project / programme over the years.
- b) The Board of Directors shall, after taking into account the recommendations made by the CSR Committee, approve the amount of expenditure to be incurred on CSR projects, programmes and activities and the annual action plan for a financial year and, and in case of an Ongoing Project, the total expenditure to be incurred on the said project / programme over the years, as it may consider appropriate.
- c) The Board or CSR Committee may delegate requisite powers for execution and implementation of this policy, which may include powers for meeting any unforeseen and / or urgent requirements.

### 4. General

The Company reserves the right to amend or annul this policy from time to time subject to the provisions of the Companies Act, 2013 and CSR Rules.

## Schedule I

### CSR Projects, Programmes and Activities

Sr. No.	Particulars	Sector in which the project / programme / activity is covered
1.	<b>Education Initiatives (Project Gyan)</b>	Promoting education including special education and employment enhancing vocational skills
(a)	Pre-primary & School Education	
(b)	Technical and Vocational Education	
2.	<b>Rural Development Initiatives (Project Vikaas)</b>	Rural Development Projects
3.	<b>Health care and Sanitation Initiatives (Project Swasthya)</b>	Promoting Healthcare including preventive health care, sanitation and availability of safe drinking water
4.	<b>Employability and Empowerment (Project Saksham)</b>	Empowerment of Women, reducing inequality faced by socially and economically backward groups
5.	<b>Environmental Sustainability, Animal Welfare and Soil Health Initiatives (Project Dhara)</b>	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry and maintaining quality of soil, air and water
6.	<b>Promotion of Sports (Project Vyayaam)</b>	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
7.	<b>Disaster Management (Project Vikaas)</b>	Disaster management, including relief, rehabilitation and reconstruction activities